

# STRUGGLES AND SUCCESSSES

---

How the Internet and social media  
have affected the design and crafts  
industry

**YUEXIN DU**

Master's Thesis

Creative Sustainability, Department of Design

Aalto University School of Arts, Design & Architecture

Supervisor: Jalas Mikko



# **STRUGGLES AND SUCSESSES**



# ACKNOWLEDGEMENTS

---

Studying at Aalto University has provided me with a great opportunity to learn different subjects and discover various possibilities in the design field. Writing a master thesis has been a great learning experience for me, from both academic and practical perspectives. I am truly appreciative of all the people who have supported me during my thesis and study period at Aalto.

My first thanks go to my supervisor Professor Mikko Jalas of the School of Art, Design and Architecture at Aalto University. Professor Jalas was always patient and supportive whenever I ran into a trouble spot or had a question about my research or writing. He consistently allowed this paper to be my own work, but steered me in the right direction whenever he thought I needed it.

I would also like to acknowledge the team in SANTAKANI project. Mr. Yunhe Guo of the School of Art, Design and Architecture and Ms. Xiaotong Yun of the school of Business at Aalto University, for providing great contributions in launching SANTAKANI project.

I would also like to thank all the designers and design enthusiasts who were involved in this research project. Without their passionate participation and input the validation survey could not have been successfully conducted.

Finally, I must express my very profound gratitude to my parents for providing me with unfailing support and continuous encouragement throughout my years of study and through the process of researching and writing this thesis. Also, my sincere thanks go to Lauri Vesala, Jared Bagley, Briana Romero and Thanh Lan Dao, for improving my English. This accomplishment would not have been possible without each of them. Thank you.

Yuxin Du  
Helsinki, 2017



# ABSTRACT

---

Recently, due to the dominance of mass-production, independent designers and craftspeople are now facing various challenges . Social media platforms and content-rich websites are used in innovative ways to promote stronger relationships between craftspeople and consumers, while improving the quality and reliability of local crafts and their provenance.

The core purpose is to discover the current situation of independent designers and craftspeople, and more specifically, to investigate how internet marketing and selling methods are used by independent designers and craftspeople to help them gain fame and reach international customers.

The SANTAKANI project will be used as a case study in support of the research and learning goals of this paper. The research process is framed into two distinct phases: a background study and project development. In the background study phase, empathic design methodologies were utilized to understand the current situation of designers and craftspeople, including their struggles in utilizing internet marketing. Based on user insights in the project development phase, lean startup development methodologies were used to constantly evaluate and improve the project. Paper mock-up, wireframe, and different versions of the SANTAKANI web platform were reviewed to achieve a deeper insight from both the designers and their customers.

The findings brought out the preference of the independent designers and handicrafts people when adapting a new marketing service. It also revealed the internet browsing and design product purchasing habits of the design consumers. In particular, the results provide a specific focus on Chinese designer consumers and their attitudes toward overseas design products.

Keywords: design and crafts, Internet marketing, social media, entrepreneur

# CONTENT

---

## **1. Introduction 8**

- 1.1. Personal motivation 9
- 1.2. Thesis Objectives and Research Questions 11
- 1.3. The process and role 12
- 1.4. Thesis Structure 13

## **2. Background study 14**

- 2.1. The current situation of design and crafts industries in general 15
- 2.2. The current situation of independent designers in Finland 17
- 2.3. Local design services and platform for Finnish designers 19
- 2.4. Design enthusiastic from China 24

## **3. Literature review 26**

- 3.1. Impact of internet regarding to design and arts 27
- 3.2. Different internet tools for Designers and craftspeople 30

## **4. Methodology 34**

- 4.1. Framing the Santakani project 35
- 4.2. Empathic Design 37
- 4.3. Lean Service development method 39
- 4.4. Field Research Methods 41

## **5. Diving into the community 44**

- 5.1. A deep insight of product designer and craftsman 45
- 5.2. The buyers point of view 59

<b>6.</b>	<b>Introduction of Santakani</b>	<b>72</b>
6.1.	Concept generation of SANTAKANI	73
6.2.	Value proposition and target group	75
6.3.	Website & Mobile App development	83
6.4.	External services	99
<b>7.</b>	<b>Conclusions and discussions</b>	<b>102</b>
7.1.	Conclusion	103
7.2.	Future development	106
<b>8.</b>	<b>Reference</b>	<b>109</b>

# I

## INTRODUCTION

---

The first chapter introduced the research motivation, objectives and the general construction of the thesis.

## 1.1. Personal Motivation

Being a design enthusiast, I highly appreciate authentic arts and handicrafts. In the new digital and industrial era, product design industry has undergone an enormous transformation and evolution. Despite the industrialization of product design, few of the traditional processes of making products remain and those that do are struggling for to survive. Especially in Finland where the cost of labor is among the highest in the world, and as a result most factories have moved to countries that provide cheaper manufacturing. However, the advent of the Internet is now providing a good opportunity for authentic designs and arts. It allows diverse platforms and services to support the unknown artists and product designers in becoming more visible and accessible by customers.

In this research, the main topic was to focus on tangible products; such as furniture, jewelry, fashion and textile designers from Finland. I seek to understand how internet and digitization have changed their methods of promoting, advertising and selling their products both locally and internationally. Additionally, I would like to discover the most effective methods of promotion in different situations.

I am personally interested in sustainable service development and entrepreneurship; therefore, a digital service design platform, SANTAKANI, was included as a part of my research. SANTAKANI was built by myself and other two masters students from Aalto University: Yunhe Guo, who studies Collaborative and Industry Design in Aalto Design school, and Xiaotong Yun, who studies Entrepreneurship in Aalto business school. We three design enthusiasts form the team, and we have the same goal: to understand the pain points of current designers and to help them to thrive in the contemporary world. Through the development of SANTAKANI, I have gained a good understanding of the needs of designers which has greatly assisted me in my research.

I studied Creative Sustainability in the School of Art, Design and Architecture. From the courses

in Creative Sustainability together with my personal experience, I have learned the definition of design is not limited exclusively to tangible products, and it has a more comprehensive meaning for society and each individual. Speaking about sustainability design, designers are facing sustainable challenges at a more complex and systemic level. In my thesis, I would like to explore the life of Finnish independent designers and use service development methods to create a new effective utility to help authentic arts and handicrafts thrive in the digital generation.

## 1.2. Thesis Objectives and Research Questions

The main goal of the thesis is to understand the current situation of independent designers and craftspeople, and specifically investigate how internet marketing and selling methods are used to support them in gaining fame and reaching international customers.

The problem was approached from two different angles:

1. Deep diving into the life of independent designers and craftspeople, understanding their market situation and how they have adopted the internet in their marketing strategies.
2. Evaluating the impact of internet and digitization from the perspective of design consumers.

By using a human-centered service design approach, better services and suggestions could be provided to independent designers and craftspeople to grow their businesses and spread their masterpieces abroad.

Base on the motivation and the objectives, the research questions are:

- **How do designers and craftspeople perceive the current market situation for Finnish craft and design products?**
- **How do internet and social media platforms affect the market of the independent design and crafts industry?**
  - **How do designers use the internet?**
  - **How does the internet affect the customers?**

The research questions give a focus on the current market situation of designers and craftspeople, and specifies how internet tools can support them effectively. As it contains both struggles and successes, the author will talk through both the advantages and disadvantages of the internet in terms of the internalization, and summarize how design customers perceive designers through the internet.

## 1.3. Project SANTAKANI

In my research, the design platform SANTAKANI takes an important role in regard to data collection and outcome investigation. Finnish independent product designers have a tough journey when starting their business where limited time and funds are the biggest obstacles. Visibility is crucial for designers to get to know and find their customers. Recently, the internet and social media have opened the gate for every designer to show their masterpieces and shine, thus, SANTAKANI project is launched by three Master's students from Aalto University, with an aim to support Finnish independent designers to start and grow their business sustainably. Being the service designer in the team, the author tried to integrate an empathic design approach to understand the users, including both the designers and the buyers, to find the best possible way to strengthen the design community in both Finland and internationally. In the process of developing SANTAKANI, we have used lean service development methods to receive feedback and make improvements effectively, which has provided valuable



## 1.4. Thesis Structure

assessments for my research questions.

- (1) The first chapter introduced the research motivation, objectives and the general construction of the thesis.
- (2) The second chapter provided a clear definition of independent designer and craftspeople have a general view of the marketing impact of internet and the consumption of design and handicraft products.
- (3) The third chapter reviewed the literature regards to the impact of internet promoting
- (4) The forth chapter introduced design methodologies and research process
- (5) The fifth chapter focused on understanding the key players in the interaction: 1, Finnish designers from various field, to know their daily struggles and passions. 2, the perspective of the Finnish design product consumers.)
- (6) The sixth Chapter introduced SANTAKANI - a digital platform that focuses on promoting Finnish product designers internationally. As part of my project, it provides a detailed insight on the preferences of the current designers and designer consumers.
- (7) The last Chapter concludes the empirical findings in the previous chapter, and summarizes findings from SANTAKANI as well as gives some suggestions for the further usage of internet in promoting design products.

## II

# BACKGROUND STUDY

---

The second chapter provided a clear definition of independent designer and craftspeople have a general view of the marketing impact of internet and the consumption of design and handicraft products.

## 2.1. The current situation of product design and craft industries in general

In this research, product designs and crafts are included the creation of artworks and design-intensive industries from the definition of Finnish Association of Designers, Ornamo.

**The creation of artwork** is a service in the design-sector classification, although the artwork itself is a physical product. The creation of artwork differs from the manufacture of crafts, in that works of art are singular, unique products. Design plays an important role in the creation of artwork. The design is personified in the creation of the work of art, and the value of the artist's design cannot be easily separated from the production. (Ornamo, 2016)

**Design-intensive industries** comprise the industrial manufacturers of mass-produced products, small and medium manufacturers, and enterprises specializing in crafts. The costs to design are relatively low in design-intensive industries, but design plays an important role in the corporate activities, as in industry in general. As design-intensive enterprises have their own products, they do not usually provide pure design services. The design input is more prominent and more personified in designers of small-scale and crafts-like manufacture than in industrial mass production. (Ornamo, 2016)

In recent times, mass production has become dominant in most fields of industry, which has made our daily use products economically cheaper and reduced their intrinsic value. On the other hand, people who would like to buy special design products are more likely to receive information from famous and influential brands. Therefore, independent designers and craftspeople face more challenges in finding recognition. Despite the negative impacts of industrialization, contemporary product designs and crafts are thriving with the benefit of advanced technologies and services (KPMG, 2016).

Social media platforms and content-rich websites are used in innovative ways to promote stronger relationships between craftspeople and crafts-consumers, while improving the quality and reliability of local crafts and their provenance. Process skills are gaining increased attention

in other sectors of the economy, and manufacturers are using their material expertise to diversify into other markets (Brown, 2014). This form of innovative business practice is becoming increasingly important to maintaining a portfolio of jobs.

According to Dr. Julie Brown, many of the most sophisticated manufacturers are also entrusted to the actual designs and site-specific projects. The purpose of most exploratory studies is usually : First to help determine and define the “place” concept of how to explain and express the contemporary technology sectors and the role of production (Brown, 2014). The idea of changing the “local” concept is influencing the local manufacturer's business model and practice. Manufacturers are also repositioning contemporary handicrafts in rural contexts.

**Craft Tourism** is a growing opportunity for local and rural economic development. It opens up new markets and stimulates other local industries. Similarly, some crafts initiatives in the town are also advocating local manufacturing traditions, as well as strengthening the work that rooted in the local or based on local characteristics. The new market lines include “open studio” networks and events that have become a successful example of pooling and enhancing the market awareness of other fragmented, small local manufacturers. The manufacturer is also a cooperative, social enterprise and “collective” business model that is designed to raise awareness and catalyze local craft companies. Lastly, many manufacturers respond to applicable consumer trends by supporting sustainable and ethical production as the core of their practice; commonly using locally sourced, environmental-friendly, recycled and reused materials wherever possible.

Some manufacturers are concerned with raising environmental awareness by encouraging sustainable consumption, and up-cycling existing items into new, high value craft objects. These manufacturers emphasize the value of local trading, and promote the use of using local suppliers and supply chains. (Warburton, 2016). In rural areas, there are new links forming between farming and fashion, as high-end designer clothing, textile and furnishing designers, milliners, and fiber artists use locally sourced fiber products, which helps build sustainable rural economies. Meanwhile, consumers have increasing interest in consuming products that are locally produced and have sustainable impact. Currently, there is a sufficient number of different channels to spread local craft related information, especially in tourist areas. (Brown, 2014).

## **2.2. The current situation of independent designers in Finland**

"In order for the Finnish design industry to continue to develop, it is critically important for businesses to set their sights on the international market."

--Ornamo Research

The Finnish Association of Designers Ornamo's annual economic survey provides an overview on the Finnish design industry and current trends. The survey from 2016 shows that Finnish design business turnover growth accelerated, while profitability increased year-over-year. The number of companies seeking to grow is more than the national average of SMEs (small and medium-sized enterprises), and is growing strongly in this sustained dynamic sector. However, because of the export disruption, there is lack of growth to promote the merger of the industry transactions. (Ornamo, 2016)

The study shows that in 2014 the total turnover for businesses in the Finnish design industry stood at EUR 3.1 billion. Design-intensive industries represent some 92 percent of this total. The largest industrial specialties include furniture-making and wood products. Design services and artistic activities represent only 8 percent of the total. Design-intensive industries provide employment opportunities for 19,600 people in Finland. The study also shows that There is a recession caused by a radical cut in Finnish manufacturing and an unparalleled growth in services. Throughout the review period, the output of the manufacturing sector continued to decline in 2007-2014. This concluded that the Finnish designers need to go international to help their industry to thrive. (Ornamo, 2016)

"It reported that productivity of Finnish design enterprises weakened markedly in 2009 but has since improved somewhat faster than in Finnish business on average. Total turnover of KIBS (Knowledge Intensive Business Services) design enterprises grew by five percent in 2012. Design-intensive industries showed nearly zero growth, although the industries differed widely in terms of growth. Growth was strongest in clothing manufacture, and leather goods, metal

goods and textile manufacture showed growth in 2012. "

--Ornamo 2014

The report shows the productivity of Finnish design firms was significantly weaker in 2009, but since then, the productivity of Finnish companies grew faster than Finnish firms. The total turnover of KIBS design enterprises in 2012 increased by percent. The overall growth rate of the design-intensive industry is almost zero, although the individual sub-industries differed widely in terms of growth. Garment manufacturing, leather products, metal products and textile business experienced especially robust growth in 2012 (Ornamo, 2016).

In addition to the growth of 2012, the actual total turnover is still lower than in 2008 in most of the design fields, with the exception of the KIBS fields and the manufacture of jewelry products and leather goods. However, according to the best situation, it takes a few years to reach the level of pre-recession in all areas.

According to Ornamo's survey, more than 20 percent of Finnish design firms are involved in export or other international events, with activities representing more than 10% of total turnover. In addition, nearly 40% of the enterprises reported small-scale or occasional sales to international customers. This is higher than the average level of small and medium-sized enterprises in Finland. Survey data shows that for about 8% of the design industry, international activity is an important aspect of their business, and 45% of the enterprises have invested heavily in international activities. It also shows that businesses that provide design services to enterprises an increasing number of international customers., and there is an increasing number of international customers available for businesses that provide enterprise-level design services (Ornamo, 2016).

The major customers of Finnish design companies are in the Nordic countries and the EU countries. Additionally, nearly 20% of all Finnish design industry business have expanded to North American markets, which reflects a high level of professional competence and expertise of Finnish companies. However, the products and services that are sold to Russia, and other parts of Eastern Europe, still remained limited (Ornamo, 2016).

## 2.3. Local design services and platform for Finnish designers

Various platforms and organizations provide useful services for local designers to help them market and sell their products. Some of these organizations have a more general theme, yet most of them specialize in a particular industry, and the number of members in the organization varies among the industries. For example, OmaShop Has fifteen Finnish design brands under their corporate umbrella, while Koppi Shop covers twenty-six different design brands, and most of them are served only in Finnish languages. The research hereby will introduce several platforms or organizations that are most used in promoting Finnish designers internationally.

**Design District Helsinki** provides a design-oriented Helsinki map that shows the location of antique shops, fashion stores, museums, art galleries, restaurants and showrooms in the center area of Helsinki. There are both paper maps and websites provided for the users. Usually tourists favor it, especially for those who are interested visiting museum and buying souvenirs in the center area of Helsinki. Now it covers more than 25 streets and 200 spots on the map from shops and galleries to design studios and design hotels. It is a must-know service for people who are interested in design and arts. To join Design District Helsinki, designers need to have a physical retailer that can be marked on the map, and pay annually membership fees ([designdistrict.fi](http://designdistrict.fi)).

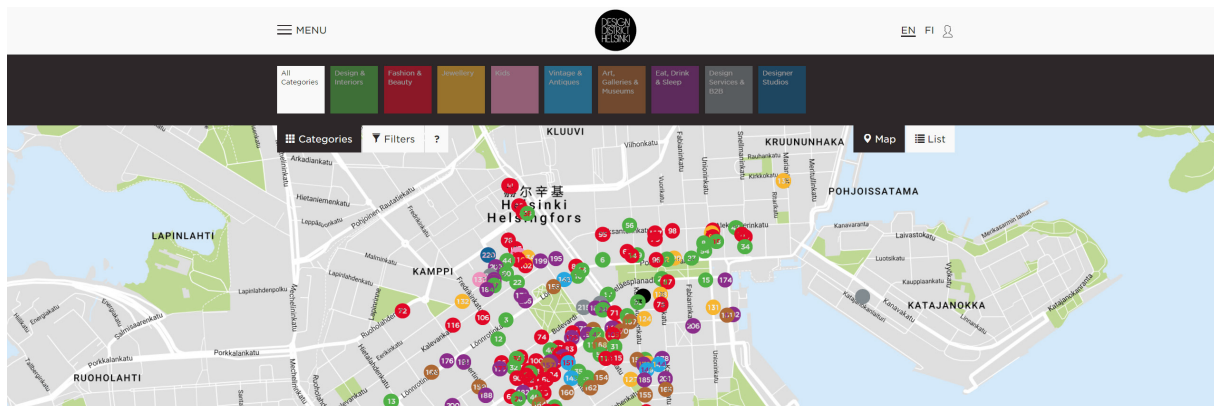


Figure 2-1, Design District Helsinki

**Finnish Design Shop** is an ecommerce online shop that focuses on selling Finnish and Scandinavian design products. They were established in 2004, and have since been a major seller of design products from Nordic countries. Finnish Design Shop is now the largest online retailer of Finnish design products in the world. All the items on the Finnish Design Shop website are from well-established brands, as well as young, emerging designers. They have a very wide coverage of Finnish design. In addition to selling, Finnish Design Shop also offers professional consultation and project management services for design companies and other businesses for the purpose of contracting sales. They provide contract sales supply of furniture and lighting to office, hotel, restaurant, retailer, institutional and residential projects with fast worldwide delivery. Due to their many contracted partners, they carry over a hundred well-known design brands, including Hay, Muuto, Artek, Gubi and Artemide internationally, as well as many new and young designers to their clients (finnishdesignshop.fi).

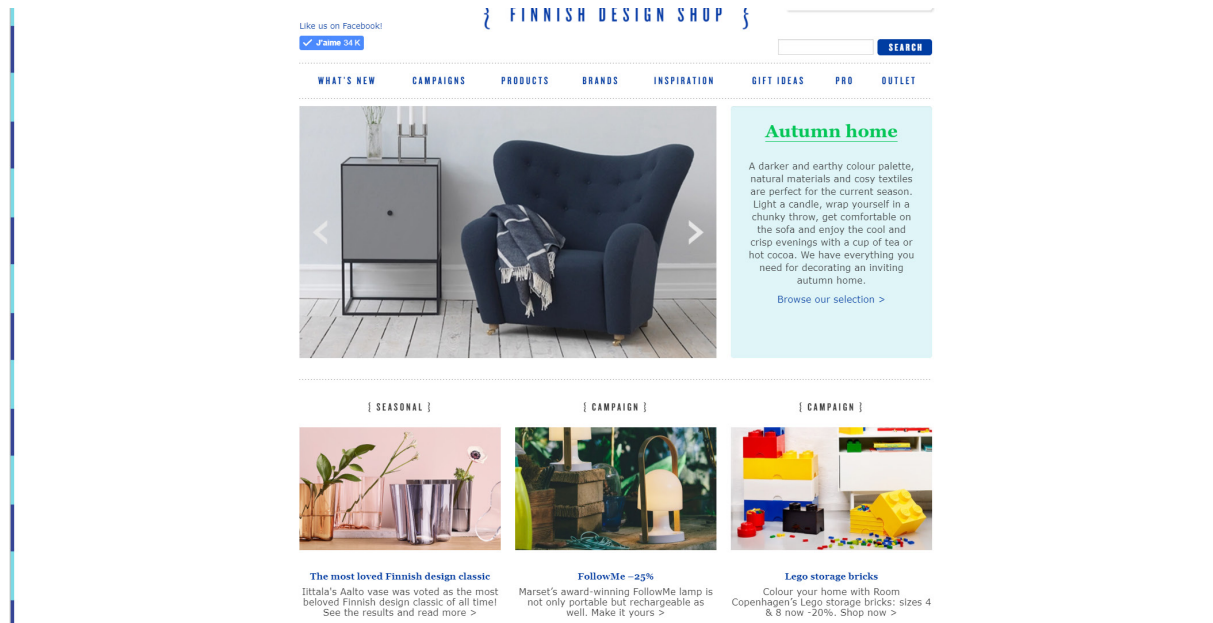


Figure 2-2, Finnish Design Shop



**Design Forum Finland** is a government supported promotion organization of Finnish design. It is run by the Finnish Society of Crafts and Design. Established in 1875, it is the second-oldest design-industry organization in the world. They focus on support affluence and competitiveness in the economy and society by promoting widespread utilization of design. They organize seminars and workshops concerning the profits of the use of design, publications, and design prizes and competitions, with the purpose of enhancing the use of design in small and medium-sized enterprises through national and international projects. (designforum.fi)

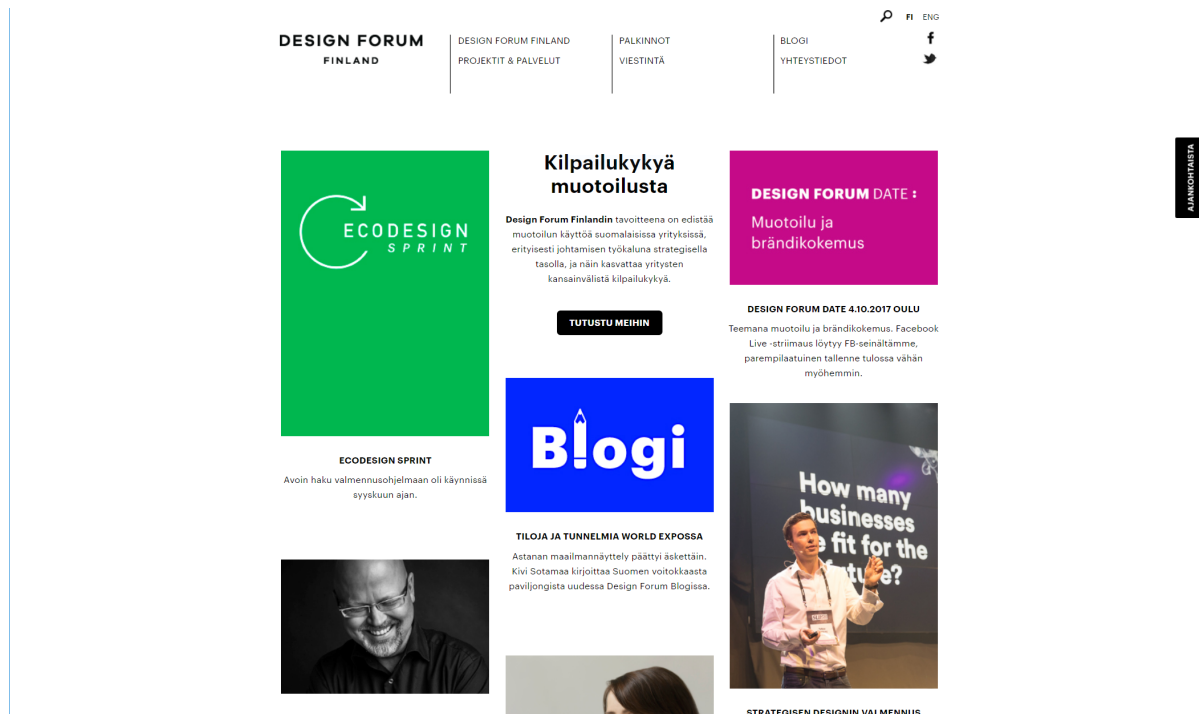


Figure 2-3, Design Forum Finland

**Pre Helsinki** is a primary organization focused on the internationalization and export of Finnish fashion. The platform was founded in 2012 to promote and support Finland's most creative and talented fashion designers and brands. The main focus of Pre Helsinki is to create business and communication opportunities for the designers and fashion brands it represents. In addition, Helsinki also exports the Finnish fashion culture, through the annual Pre Helsinki event in Helsinki Week, with the major international fashion week inviting customers to participate in the unique experience behind the Finnish fashion phenomenon. They provide design services and collaboration by using matchmaking programs in Europe, Asia, and elsewhere worldwide to link designers to companies both inside and outside the fashion field. (prehelsinki.com)

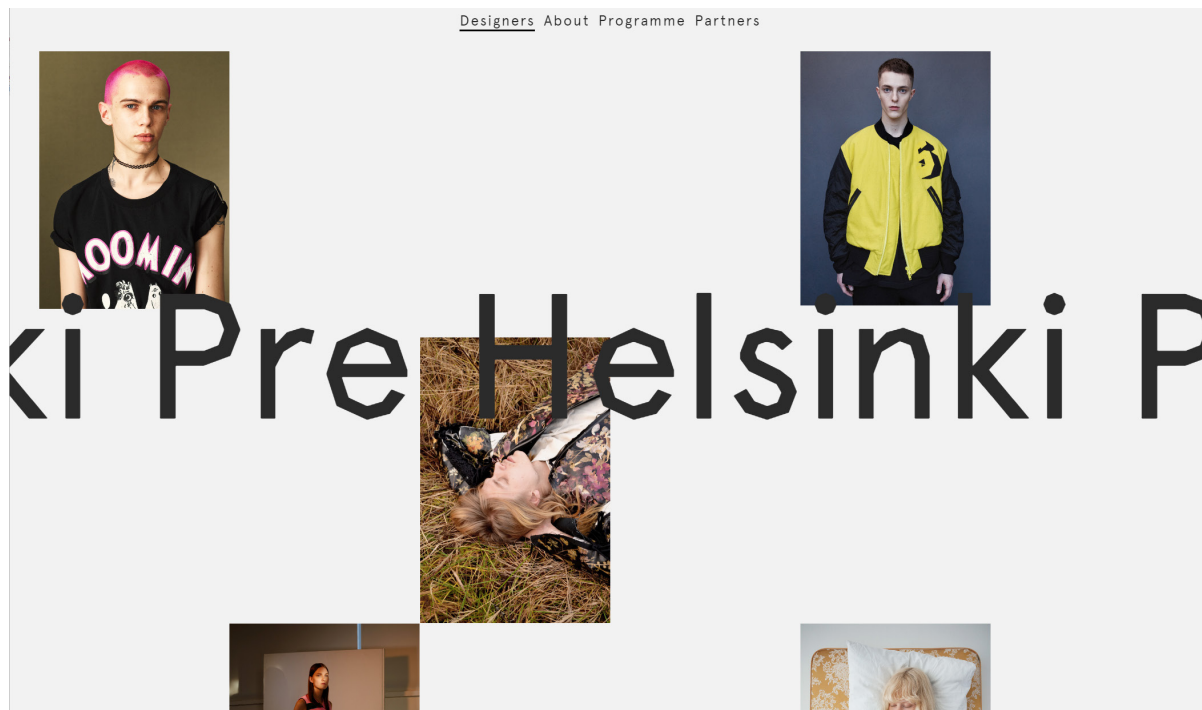


Figure 2-4, Pre Helsinki

**Ornamo**, established in 1911, The Finnish Association of Designers Ornamo is an expert organization in the field of design with 2,500 members. Ornamo advances the profession of designers and promotes the role of design in society. Members in Ornamo are highly educated design professionals. They are employed in various professions across the field of design, in industries such as interior design, industrial design, furniture design, textile and fashion design, package design, service design, digital design, contemporary craft and art (ornamo.fi).



Figure 2-5, Ornamo

## | 2.4. Design enthusiasts from China

### 2.4. Design enthusiasts from China

“People all around the world are more interested in Scandinavian design than at any time in recent memory,” says Tine Kjølsen, special adviser to the rector of the Danish School of Design in Copenhagen, pointing to the success of a host of Nordic brands including Acne, the hip Swedish fashion label, and Sandqvist, the backpack maker. (Stothard, 2012)

Some of the best-known designers with international reputations come from Scandinavia – Denmark, Sweden and Norway – but the wider Nordic region, which also includes Finland, Iceland and Greenland – has benefited from the raised profile, with Finland in particular producing giants of design-led style (Stothard, 2012).

An article from Export Finland has described this great opportunity in a more detailed way. China estimates that there are 3 million factories and 40 million private companies, providing great potential for industrial design services. Finnish design companies can also tap into the business opportunities created by China's growing economy, and the increasing number of Chinese companies entering the global marketplace. China is the world's largest manufacturing economy, the fastest growing consumer market and the largest e-commerce market due to the growing demand for middle-class and savvy, young consumers. Demanding innovation and better-quality products and services, today's domestic market in China is also different than ever. (Export Finland, 2014)

***“China has the fastest growing middle class in the world and the increasing prosperity has created a Chinese desire for unique quality products. - The growing Chinese middle class represents a huge potential for the export of Danish design. It is a large buying group that, at the same time, demands the Danish designers to deliver unique design products of high quality craftsmanship.”*** --- Thomas Brixen, Managing Director of Eniito.

Chinese people are more in favor of foreign products and design. In addition to Nordic design companies, Western companies are also considered to be in a leading position in domestic competition. Chinese companies are ready to hire foreign designers with the aim of boosting sales. For better promotion, Chinese company desire foreign designers to launch a brand abroad, to first give it global appeal, and then "re-introduce" the brand to China. (Bloomberg Market, 2015)

Many Chinese companies have traditionally been OEM (original equipment manufacturer) /ODM (original design manufacturer) for multinational brands, but they are now striving to produce branded products for global markets in the B2B (business to business) and B2C (business to customer) sectors. These companies now have a higher strategic aim in the value chain, which means that they require new skills and international partners in many areas, including design.

We understand that driven by China's hunger for branding and the needs of its internationalizing companies, there is demand for design services in many different product areas such as watches, jewelry, furniture, fashion, security, automobile, electronic communications, new materials, new energy, new technology, and many other areas. Finnish companies can offer world-class design expertise and a holistic understanding of the design process to meet this demand. (Export Finland, 2014)

# III

## LITERATURE REVIEW

---

The third chapter reviewed the literature regards to the  
impact of internet promoting

## **3.1 . Impact of internet regarding to design and arts**

For most of the products and services, marketing implies a market-driven, customer-centered approach. When it comes to design and art, the marketing challenges come from many directions. First, machine-made products could easily replace these essentially hand-made ones, especially in our knowledge-driven high-tech times in which modern industry has enabled an increasing degree of mass customization and personalization of product offerings. Secondly, the products of designers and craftspeople are not generally fundamental needs for consumers. As a result, consumption of these products may decline when consumer spending is down, especially during economic downturns. (WIPO, 2003)

A key strength of artisans and visual artists lies in their creativity and their craftsmanship in expressing it. This gives their output a distinctly traditional, cultural or symbolic flavor, which arouses the interest and matches the emotional needs and aesthetic tastes of discerning customers in specialized niches of both domestic and export markets. Even so, attracting and retaining consumers is a daunting task in an overcrowded marketplace, where consumers find ample choice and alternatives, and where competitors are constantly searching for successful product trends (WIPO, 2003).

Traditionally, an artist needs to start their business by arranging a partnership with other retailers or have their own shops. For promoting or marketing, designers and artists are required to contact magazines and participate in different design fairs. Ruohomäki (2006, p. 92) points out that thanks to its digital nature, the Internet offers entirely new ways of brand-building, marketing, advertising and selling products. The Internet has a great impact on the daily life for all of society, as it has become one of the most inexpensive and effective approaches for marketing, communication, selling and fundraising. This trend provides a great channel for unknown artist to get visibility and build up connections with their potential customers, including both business-to-business (B2B) and business to customers (B2C).

Most respondents to the European survey (Luutonen, 2007, p. 37) estimated that the importance of online shopping would accelerate sales of craft and design products. A survey from Craft Council in England (Morris, 2010, p.28) shows the browsing on websites that show or sell craft, and general web searches are among the most popular ways of finding designs and crafts. See in Figure 1.

Base	416
Which of the following information sources would you use when thinking about buying craft?	% of craft market
Browse a shop or gallery	49%
Browse a fair or exhibition	47%
Look on websites that show or sell craft	32%
General web search	30%
Recommendation from a friend	27%
Visit open studios	26%
Search online marketplaces	24%
None of the above / just spontaneous purchase	15%
Reviews and articles in magazines	14%
Recommendation via social network (e.g. Facebook)	7%
Go to library	7%
Read specialist blogs or newspapers	7%
Look in Yellow Pages	4%
Phone a gallery	4%

Figure 3-1, Differences between buyers and potential buyers in terms of information sources .  
Morris, 2010, p. 28



The Internet was seen as the marketing tool of the future and therefore enhancing Internet skills was seen as crucial. The role of the internet was even more emphasized in answers from Nordic surveys, and particularly in the Finnish surveys. (Luutonen, 2007, p. 37) The internet makes it possible to reach a considerable number of people with a comparably small investment.

This has narrowed the gap between large and small companies to some extent. The message communicated on the web could be translated very precisely and the form in which it reaches the target audience can be controlled; however, success is not inevitable. For instance, standing out among endless messages is a challenge. Yet it is well-advised to adopt the web as a marketing channel because the customers are also there (Levison & Rubin, 1995/1996). The amount of information on the Internet is so huge that search-ability is a challenge and therefore entrepreneurs need to invest in the search-ability of their websites. There are many different approaches to access to internet marketing for design and crafts (Luutonen, 2009).

## | 3.2. Different internet tools for Designers and craftspeople

### **Social media**

Social media is changing the business landscape and redefining how businesses communicate across their channels of distribution and with their customers. A significant 90% of marketers said that social media is important to their businesses according to a research from Social Media Examiner in 2016. Despite the fact that 37 percent were uncertain about their ability to measure return on investment, social media marketing is increasingly being used in business to attract attention and gain website traffic (Stelzner, 2016). The most used social media channels for designers and artists, which includes Facebook, Instagram, Twitter, Pinterest and Wechat.

**Facebook** website is launched by Mark Zuckerberg along with fellow Harvard College students and roommates in April 2004. Facebook marketing is ranked as the most used social media channel with 94 percent share of respondents. (statista.com) For Finnish independent designers, despite they are not actively Facebook marketing users, most of them are owning their Facebook page and using it actively sharing information with their customers.

**Twitter** is a social networking and microblogging service, enabling register users to read and post short messages as tweets. As of August 2016, Twitter ranked as second of B2C marketers in the United States in terms of adoption rate (statista.com).

**Instagram**, working as a part of Facebook, it is a mobile social network that allows users to edit and share photos as well as videos. With 54% share of respondents, Instagram is ranked as the Forth used social media marketing channel in January 2017 (statista.com). As it is a photo and video sharing platform, it provides a perfect channel for designers to display their work as well as reach the right customers by using various of different tags. However, the statistic shows a great concentration on young generation, most actively users are between 18 years old and 29 old, thus, this could be used effectively when the target group is in the younger generation.

**Pinterest**, founded in 2011, is a web and mobile application company that operates a software system designed to discover information on the world wide web (wikipedia.com). The unique value of Pinterest is based on the shared interest of its users and relies on its members to produce the content, it engaged users strongly with popular topics and theme such as fashion, home, garden, DIY and relevant brands, it becomes a great stage for designers and artists to display their works and corresponded their knowledges (pinterest.com).

**WeChat**, since part of the thesis study is related to Chinese design customers, It is imperative to introduce the most important social media in China - WeChat. WeChat not only fills the role of Facebook, email and text messages, but it's used to pay at restaurants, settle mobile phone bills, book home-cleaning services, donate to charity—even to buy cars (Doland, 2015). Wechat has reached 938 million monthly active users in the first quarter of 2017, means that more than two- third of Chinese population are actively receiving information and interacting on Wechat, which made Wechat the most important channel for new businesses to enter China.

### **Crowdfunding**

Crowdfunding has become a popular marketing strategy and fundraising approach across the globe. Using crowdfunding, anyone can support a given project and people can contribute the any amount of money they choose. In the case of product designers and artists, they generally need to invest a large amount of assets before they start their business. With crowdfunding, designers and artists own the opportunity to publish their idea of their projects on a selected online crowdfunding platform and get funds from the people who are interested in making their projects a reality. Online crowdfunding campaign can also be combined with social media marketing methods to reach even more prospective funders.

The research in share of crowdfunding donors in the United States who have contributed to selected types of projects of December 2015 shows that about 30 percent of the crowdfunding donors invested in a musician or other creative artist, and that 34 percent of these donors gave their money to fund a new project or invention (Mollick, 2016). This data provides positive

evidence that crowdfunding can be a practical tool to support product designers and artists.

### **Online marketplace**

Generally speaking, an online marketplace is a virtual marketplace operated on the internet platform. In an online marketplace, consumer transactions are processed by the marketplace operator through the online market website and usually the delivering and fulfilling of goods or services is done by the participating retailers or wholesalers. Different online marketplace can have differing business models (wikipedia.com). A general online marketplace such as Amazon has a comprehensive list of different categories. They usually give a supermarket feeling to the customers where they can get anything they need at a relatively cheap price. Some of the marketplaces have a specified focus; those types of marketplace usually have a specific target group where they can provide more personalized products. Some of the market place have been very supportive of the designers and artists, such as Ebay, Taobao and Etsy.

**Ebay** is one of the most popular online marketplace website, it is a multinational e-commerce corporation, facilitating online consumer-to-consumer (C2C) and business to consumer (B2C) sales. Founded in 1995 by Pierre Omidyar, and grow to a multibillion- dollar business today and operating in approximate 30 countries today. On ebay.com website, individual or companies could display and sell their products or services from different categories to different audiences from all over the world (ebay.com).

**Taobao** is a consumer-to-consumer(C2C) retail platform where the major sellers are small businesses and individual entrepreneurs (wikipedia.com). Taobao has as free listing and no business licenses required which made everyone have the freedom and low risk in join Taobao.

**Etsy** is a consumer-to-consumer(C2C) e-commerce website that focus on creative products such as handmade products, vintage items and supplies, as well as unique factory-manufactured items. The categories in Etsy includes art, photography, fashion, jewelry, home decorations, food, bath & beauty products and toys (etsy.com).



# IV

## DESIGN METHODOLOGIES

---

The forth chapter introduced design methodologies and  
research process

## 4.1 . Framing the SANTAKANI project

SANTAKANI project was framed based on understanding Finnish independent designs' circumstances from the perspective of both designers and design enthusiasts. Together with the study on literature explained in Chapter 2, the service development process has provided a great insight into the Finnish independent design industry. The process of the project development can be structured into three different stages: Research, Foster and Final.

Using the Lean Startup Development concept from Eric Ries, the author has had intensive interactions with the research targets and received a good amount of valuable information. According to Eric, the lean develop journey always follow the pattern of 'Idea - Prototype – Test', which gives us the chance to engage our customers from the beginning to the end. SANTAKANI try to offer them an affordable and easy way to promote and sell their products. In this way, the sales of local designs and crafts could grow more economically sustainable. The goal is to bring creative designs and ideas to more places by connecting independent designers and design enthusiasts

**Research** aims at understanding the needs from the designers and design enthusiasts, as well as experiencing the existing services for the Finnish Independent design community. It helps to gain a general idea of people's preferences and struggles to identify user needs and discover the business opportunities.

**Foster** sets out to develop SANTAKANI by integrating the input from both design and social media activities along with the feedback that SANTAKANI received from the users, includes both designers and design enthusiasts. Foster helped to define the value proposition, service offerings, customers segments of SANTAKANI, and at the same time, provide the vision of how designer & design enthusiasts engage with the new service.

**Final** is based on the learning from both the Research and Foster stages to develop the final

version of SANTAKANI. As a result, the team can have further tests with the customers and get even deeper results regarding the behaviors of Finnish independent designers and design enthusiasts.

Follow all the three steps. It covers many angles of internet interaction from both designers and design consumers. As SANTAKANI has been put in to place on the real market, the data that SANTAKNIA provides is accurate.

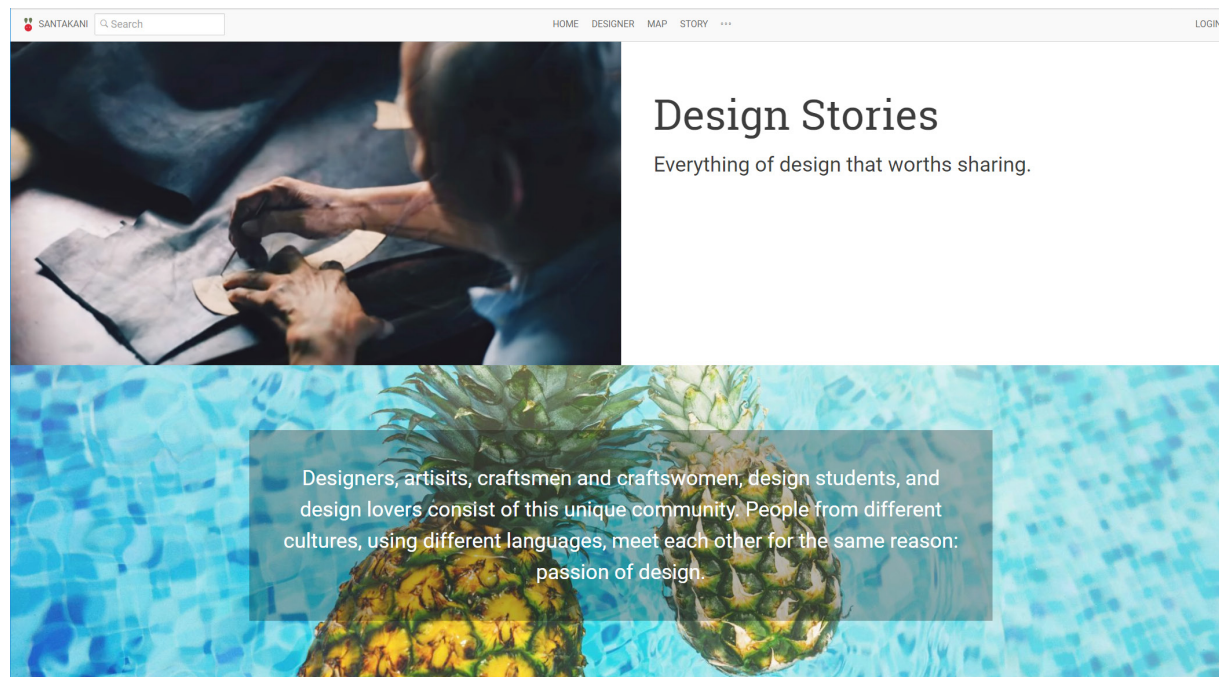


Figure 4 -1, santakani.com



## | 4.2. Empathic Design

As the project is based on independent designers and design enthusiasts, it is a highly human-centered design process. The project defines the research will be mainly based on human behavior, so I chose Empathic Design as the primary research and design method.

Jane Fulton Suri has also mentioned in her book *Empathic Design* (2003): "Design empathy equal to the ability to step into someone else's shoes and to understand them through their experiences". And Koskinen (2003) defined Empathic Design as "empirical research techniques that provide designers access to how users experience their material surroundings and the people in it, including themselves as key characters of their everyday lives." So here the team defined several tools for proceeding our answer by truly engaging with our users. First was contextual research, it is a way of researching the context of users, and it aims to uncover tacit knowledge and to integrate that knowledge with the design process, as well as form and inspire design teams and to allow users to participate. When using design methods in research, prototyping is, of course, one of the most important methods to help us understand our users better. A simple explanation from Jane Fulton Suri: *Experience Prototyping* (2000) "The artifact or service exists to explore design propositions. They aim to show how it behaves like, looks like or works like. They can be made by designers or users."

According to Kronqvist (2015), there are three layers in user research:

The first layer is to know 'What people say?' , for this stage, interview will be the core method to engage with the users and get the information.

The second layer is to understand 'What people do?' It is a very common case that people do not behave as they actually say they do, thus in this stage observing and contextual documentation is needed to perceive user behavior, and a clear documentation is needed to capture the data.

The last layer requires digging even deeper to understand 'What people dream?' In this portion more empathy needs to be involved, therefore communication is essential in acquiring a

## *Levels of knowledge*

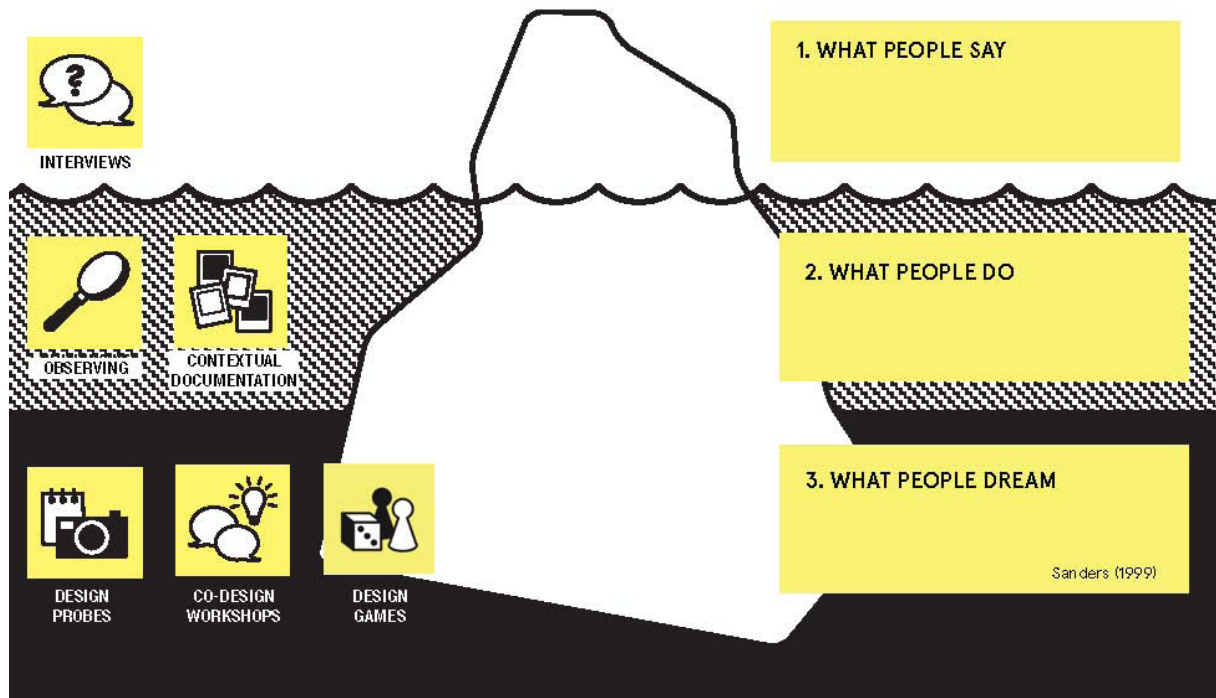


Figure 4 -2, levels of knowledge, Sanders

## 4.3. Lean Startup Methodology

deeper perspective of the users' opinion. For this stage, the team employed several prototype testing sessions.

Lean Startup is a methodology to develop a business and product that is designed to shorten the product development cycle by combining business-hypothesis-driven experimentation, iterative product launches, and validated learning (Ries, 2011). Lean Startup is aimed at reducing market risk and avoiding large amounts of initial project financing for expensive product launches and failures, it provide a very handy research and data analytical methods to understand the users.

As I stated before, the development of SANTAKANI is based on Lean Startup methodology. The data collection during the rapid developing process has contributed a big part in this research.

A core component of Lean Startup methodology is the build-measure-learn feedback loop. The first step is figuring out the problem that needs to be solved and then developing a minimum viable product (MVP) to begin the process of learning as quickly as possible. Once the MVP is established, a startup can work on establishing the real product. This will involve measurement and learning, and the inclusion of process actionable metrics that can demonstrate cause and effect. The startup company will also use an investigative development method called "Five Whys" to ask simple questions to understand and solve deep problems. When this measurement and learning process is done correctly, it is clear that a company should proceed to a business model or not , and if not, then it is a sign that it is time to make structural corrections to test a new fundamental assumption about the product, strategy and growth engine (Ries, 2011). With the MVP Tests of SANTAKANI, the team have received research results that indicate a strong preference for internet interactions, from both designs and design enthusiasts.

# The Lean Startup Loop

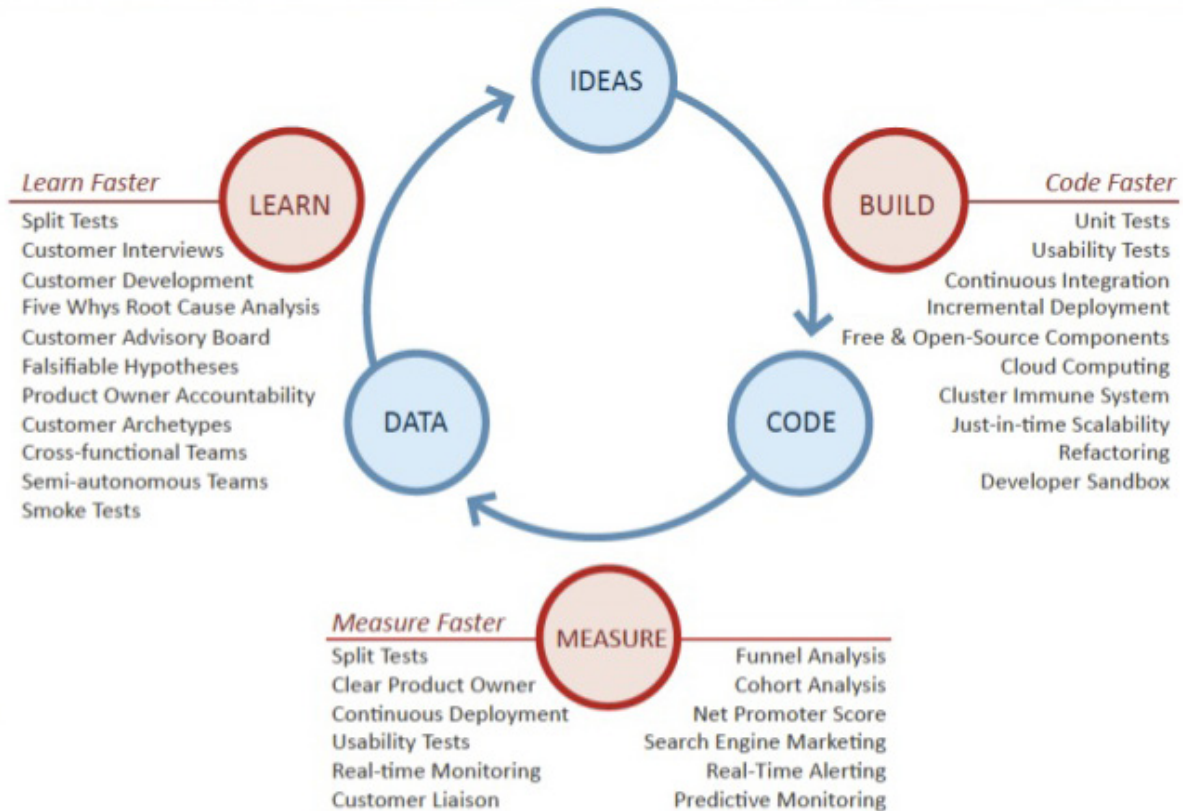


Figure 4 -3, Lean startup, Eric

## 4.4. Field research Method

Our goal is to get an accurate conclusion from the designers' and craftsmen's perspective, as well as from the design customers. For this goal, the field research was separated into two focused groups: Designers and design enthusiasts, and to have a clear understanding of the connection between the two.

The research for designers includes four weeks of deep diving field research with Finnish local independent designers and craftspeople. The research includes in-depth interviews with eleven local, established, small-to-medium-sized design companies, and three design students from the school of Art, Design and Architecture. Visiting businesses in various design markets and having informal conversations with designers has also contributed to the data collection. The category range includes fashion, jewelry, textile, home product, and accessory. The selection of designers was based on several criteria. Generally, the designers SANTAKANI team have interviewed belong to the category of small-to-medium sized design enterprise, all of them are Finnish local design, and most of their products are produced in Finland. The majority of the designers were found at the Helsinki Design Week, or in Design District Helsinki, which we will have a deeper discussion in the next Chapter.

The team have tried different several approaches to reach the designers. The team started by sending numerous email invitations in an attempt to arrange formal conversations with the independent designers. However, the email reply rate was lower than 15 percent, and so the team applied our second strategy: Check in stores. The basic idea of Check in stores is to walk around the design area in Helsinki and walk into design stores one-by-one that met the criteria of our selection.

Helsinki, as the capital city, has gathered excellent designers from all over Finland, and is the base of our research regarding independent Finnish designers. From the mapping of the design stores in Helsinki, SANTAKANI team found that most of them are located in central Helsinki,

such as the areas around Kamppi, Punavuori and the Helsinki cathedral, as those locations are considered the leading retailing spaces and tourists destinations. Besides the center, Kalio is another area where most of the local designers are gathered as the rent in Kalio is relatively cheaper while still providing a surrounding neighborhood of designers.

The biggest disadvantage of Check in stores is that, about 50 percent of the stores SANTAKANI team have visited are not operated by the original designers. The person who is running the store is either an owner of a retailer or a sales person who was hired by the designers. Therefore, the team attempted a third approach of visiting Design fairs. There are regional design fairs in Helsinki almost every two months, organized by varied institutions including schools, local design associations, big design stores, and government sponsors. At the fair, in addition to considerable sales, designers also get great publicity to various audiences. As the result, designers are more likely attend the fair personally to build a superior connection with their customers. In the research, the team entered four design fairs; two were organized by the Aalto University student union TOKYO which focuses on design students, and the other two were Christmas and spring design sales organized by a local design institution such as Ornamo. Most of the time, designers need to prioritize their attention on customers, so the interviews were primarily done via informal conversation.

Generally, designers and design students who talked with us were very collaborative. They were willing to share their thoughts and tell us their struggles when SANTAKANI team had a chance to meet with them face to face.

For the design consumers, the research consisted of three different consumer groups, which constitute the majority buyers of Finnish design products and crafts: local customers, tourists, and international design enthusiasts. The research includes participant observation the design tourists, in-depth interviews, and quantitative survey with international design enthusiasts which will be discussed in Chapter 5. Additionally, data was collected from informal conversations with both local and international design buyers. Most of the international design consumers and some of the local buyers were of Chinese nationality, and so the research results may not reflect buyers from other countries.



# V

## DIVING INTO THE COMMUNITY

---

The fifth chapter focused on understanding the key players in the interaction: 1, Finnish designers from various field, to know their daily struggles and passions. 2, the perspective of the Finnish design product consumers.



## | 5.1 . A deep insight of the product designer and craftspeople

As mentioned in Chapter 4, empathic design is the main methodology for the research, therefore in the ``diving into the community study``, we have a deep understanding of their experiences in their design career from multiple perspective. This section also investigates how craftspeople and designers perceive the market situation for Finnish craft and design products. In this part of research, the data is collected from both formally arranged in-depth interviews and in-formal discussion on different design fairs the local designers. Casual discussions with local design students also contributed to the data collection.

### **The current situation**

Arabia ceramic factory in Helsinki is considered to be an industrial icon of Finland. It was closed in March 2016 and was producing tableware since 1873, and its products are widely recognized as key works of Finnish design. The reason for shutting down this symbolic factory is that producing in Romania and Thailand would be a lot cheaper than in Finland. The Fiskars Corporation, which owns the Arabia factory, decided to move the entire production into Romania and Thailand. This affected the 120 out of the 130 people working at the factory who will lose their job in the near future.

This news brings to light the fact that the mass-production industry has made independent designers struggling for their surviving and directly impacts Finnish designers. In Finland, the labor cost is exceedingly higher than many other countries, which causes the products manufactured to be generally more expensive than those manufactured from other places. On the customer's side, it is still a challenge for major consumers to appreciate the value of design. Most of the consumers are making their purchase by following big brands and a long history of reputation, despite the fact that most of the products labeled 'Finnish Design' are no longer produced in Finland any longer. All these facts are pushing Finnish independent designers and artists to find a new and effective method to build their brand and connect

with their current customers. Compared to several famous design brands, Finnish independent design brands only have a small market share. All small design brands have a need for sales channels, and are willing to collaborate with design platforms to increase sales and promote their brands. However, from the research of SANTAKANI team, none of existing platforms in Finland can include more than 20% of independent design brands.

The author had conversations with a few design students from Aalto University, including both Finnish students and international students, the main topic concerning their future plan after their graduation. Unfortunately, most of their feedbacks were rather negative. In the conversation, it appears that most of the students do not have a clear idea of what they would do after their graduation. More surprisingly, from the study we found that there were some bachelor's level students coming back to study design again only because of the fact they could not find a satisfying job. Staying in school could potentially make their life easier as the local students could get the social welfare benefit from the government. Furthermore getting a Master's degree will hopefully will improve their life situation.

The author had a chat with a ceramic design student in Aalto design school, and asked how they think about their future, what they want to do? However, the answer was far from expectation. She demonstrates that she probably will change to another major, and find something that is easier in terms of making a living, since being an artist is obviously not the easiest way.

***“I am a bit confused of what I can do in the future, because I am not sure where I can work. The textile industry is difficult in Finland, the weaving mills here in Finland are very small. There are only few people working there so it is expensive and inefficient. If I want to continue in the textile field I probably need to work abroad.”*** -- A textile design student

***“When it comes to summer jobs, last year I have applied into more than 100 different studios from industrial design to graphic design in Finland, and only one is affirmative, I think now we have this budget cut in Finnish economics, and in companies usually the first thing that get cuts is the R&D and the creative side, so it is quite a difficult situation now.”*** -- An industrial design student

### **A tough and exhausting journey**

Apart from the interviews with the students, the author has also had in-depth interviews with the Finnish independent designers who were successfully established in their business. From the observation and interviews, it shows those designers who had just began their businesses had the most problems getting into the market and keeping their businesses moving on. Independent designers usually have very limited time and money, so they are obliged to do the whole routine by themselves which includes: buying the materials, designing the products, producing and selling the products. In some cases they even need to take care of accounting and legislations.

Most likely designers are keener to put their time into designing and producing, however, marketing and sales also play an extremely important role in succeeding. As the research mentioned before in Chapter 4, currently there are multiple internet digital tools to support independent designers and artisans to grow their business and obtain fame, however, Finnish independent designers still do not get sufficient assistance due to various limitations.

Starting a new business is never easy. Luckily, Finnish startups can obtain startup funds of approximately 700 euros per month from the government for the first maximum 18 months, which has been essential for the initial development most of the design startup in its establishing year. From our conversation with several jewelry designers, we understand that in the beginning of their career, it is very common to share a studio with other designers to reduce the cost of rent. In addition, it can be difficult to support a design or crafts career in the beginning, and some of the designers need to take extra part-time job.

***"I have worked as a jewelry designer since 2008, and I graduated as a designer of jewelry and object from Lahti Institute of Design. In the beginning, I shared studios with other designers, I have some other jobs during the day time and make jewelry during the night, so that I can pay my rent. "***

However, the shortage of resources is not that bad. There was good example of an innovative hat maker that started their creation upon the limited resources. Costo is a 10 years plus Finnish

fashion brand with accessory designs and products that are now sold in 10 different countries with more than 16,000 followers on their Facebook.

***"I was still studying back in 2006, degree in clothing. I thought it would be cool to do something for ourselves, not to work for someone else. So my brother and I started a limited company in Finland, with starting a capital of 2500 euros. After one and a half year later, we finally knew what to do. Since we all have a design background, we bought the sewing machine with the 2500 euro, yet then because we did not have money to buy materials. At that time, my brother was working at a furniture store, usually the store has some fabric samples for the couches, after a season they will throw the fabrics away, so we collected those wasted fabrics and started to make something. We figured out one fabric sample is just enough for one hat, that's how we went basically to the hats and went to do recycling, sustainable things." --COSTO***



Figure 5-1, Costo, Santakani

Shortage of funds are solved with creativity, however marketing and receiving fame was still waiting for encounter. Usually it takes 3 - 5 years to start to gain a certain amount of fame and get regular customers, and varies within industries. The following quote comes from a carpet designer who had ran his carpet shop for ten years.

***“Starting as an independent designer is very challenge. First I had to design the carpet, then find a place to produce, and in the end find the customers to buy them. I have to manage the whole process by myself. Still remember the days when I had the first products, I took the samples and went asking shop by shop that if I could sell them at their place. The situation started to get better after 4 years, but it’s still very small, maybe after 7 years it became good enough. It is indeed very difficult, but when I see it getting better, or when I reach some new level, that is always satisfying, even just starting my web shop that could make me happy for a long time. “---- A carpet designer in Helsinki***

***“It is very exhausting to spend time on marketing or promoting myself, I just want to focus on design, and do my other things. “--A Fashion designer in Helsinki***

When it come to the fashion design industry, there is another story to tell. As mentioned before, the labor costs is much higher in Finland than other European countries. There are few clothing workshops remaining in Finland, and the price is always relatively higher than other places. For these reasons, international experiences are more desired for fashion designers compared to other design industries. Therefore, fashion designers are much more likely searching for manufacturing and material resources abroad. And according to the interview research starting as a fashion designer seems even tougher.

***“Being an entrepreneur in fashion is the most terrible thing that you can image, because of the long process of fashion producing, you have to do everything yourself.” --A fashion designer in Helsinki***

SANTAKANI team were lucky to talk to a fashion design student who had worked for Lepokorpi design Helsinki. Lepokorpi is a high-end niche womenswear line. Some of the collections have been featured in magazines such as W, Women’s Wear Daily and Vogue Italia, and are stocked

by high-end stores all over the world, including Dover Street Market in London and H. Lorenzo in West Hollywood. Despite all the achievement and fame of Lepokorpi, starting a business in fashion is still a long and arduous process. Lepokorpi launched in 2011 by Saara lepokorpi. Saara has produced most of the samples by herself, including the whole process of designing and producing. She did hire some people to help her do sewing, also collaborate with some factories in Estonia. However, with the shortage of funds it is still very difficult. Besides all the labor work, it is also crucial for fashion designers to stay fashionable and they are required to produce two new collections on a certain time every year, it is a stressful process and needs a great amount of creativity.



Figure 5-2, Queuing for the tables of Christmas sell at 7am, Yuexin



Figure 5-3, Queuing for the tables of Christmas sell at 7 am (2), Yuexin



## **The common marketing methods**

When it comes to promoting methods, it often differs by design industries, scale of the company and core concept of the design.

A Design fair is one of the most important marketing methods for most of the small handcrafts, such as jewelries, ceramics and small textiles. Not all the designers favor it. For example, interior designers might not benefit from such an event. Although participating in design fairs indeed helps increase sales, since the artisan has to do everything on his/her own, it is exhausting and time consuming to set up a table in a designer fair. When there are more people and the objects are small, it is usually easier for them to prepare. A jewelry design studio said they usually participate in these types of events 6 times a year and frequency like this is manageable. For industries that requires bigger manufactory such as fashion design, simply attending local design fair is generally not enough, they usually would go to international fashion fairs, showrooms and exhibitions.

Workshops are another important method. As most of the designers we interviewed focus on handicraft work, the hand making process provide a big opportunity for interacting with the customers to customizing the products and organizing workshops, so the customers are able to make their own personalized products. Most of jewelry design studios we interviewed are offering this service. They charge average 50 euro -100 euro per workshop (price various by the material and process), in which it is one of the revenue source for the jewelry designers. Customers are also generally enjoy making their own jewelry. Besides jewelry, some design studio will arrange workshop to promote their brands or their design concept. The hat store Costo will organize some pop-up workshops. Usually the workshop lasts a whole day, customers can join them any time they want. The tasks usually are quite simple such as making a fur ball, which is very suitable for family with children to participate.

Education is one of the special services offered by the recycle fashion company Remake Ecodesign. Remake Ecodesign organizes different workshops for the public to promote the concept of sustainable fashion, and they also provide consult & education services for companies and communities that interested in textile recycling and recycling issues. Normally

this type of educational workshops are hosted physically, because it is difficult to arrange it through internet due to technical issues. For example, sewing usually must be done hand by hand. There are some obstacles for Remake to get into school since schools usually require the teacher have a certain level of professional degree, even though Remake Ecodesign knows how to do hands-on work.

“We are trying to get into schools, because the reusing and recycling fashion knowledge are not taught everywhere and we cannot clone ourselves, so the best way is to spread the knowledge by teaching. We've been doing this for 4 years now, since we are not that kind of person to teach on paper, so it's hard to make the others believe that we are the right person to teach. It's a good idea but the execution is still quite slow.” -- Remake Ecodesign

Magazine is still a common promoting method for design industries especially in fashion and interior design. From an interview with the fashion designer, it shows that fashion designers usually have blogs or articles publishing on various magazines such as Vogue, and Women's Wear Daily. Some of the magazine companies will contact them, and take care of the photo shooting and writing. And sometime especially in the beginning of their business, the designers usually need to contact publishing agencies by themselves.



## **Usage of internet marketing**

Usually design shops can be easily found on Google Map by simply searching for the category, some of the design shops also use local services such as Design District Helsinki and Urbspotter to help the local design enthusiasts and tourists to find them.

### **Facebook & Instagram**

Most of the design shops have their Facebook and Instagram account. The interaction with social media is differed by the industry and the design concept:

The jewelry stores that we have interviewed own a very similar profile regards to Facebook and Instagram usage. They have been very actively using Facebook since the registration. Usually the published content is used for marketing and information sharing, both shops have 2 posts per week on their timeline. An interesting finding is that the average post receives 10 likes if it is describing a new product, and more than 20 likes if it is sharing the photos of designers. For the jewelry stores, they usually create their own events once per month, and the major activity is jewelry making workshop with an average 5 people participates and 10 people say interested in the event page. Until August 2017, the jewelry shop operated by one designer received around 850 subscribers on Facebook, as the shop shared by 3 designers has around 1100 subscribers, the majority of the subscribers are Finnish speakers since all the Facebook posts and event descriptions are all in Finnish. As for Instagram, they started to use it on 2015, with irregular posting from 170 to 350 posts in 14 months, includes both images and short videos (less than 20 seconds). Most of the posts are displaying jewelries or a making process with a short describing text and they are partly overlapped with the images on Facebook. However, on Instagram, there are also some daily life photos of the designers that could represent their attitude towards design, which brings the feeling that Instagram is comparably less formal in playing its marketing role.

The time spending on social media also varies from shop to shop. Some designers prefer to interact on Facebook and publish posts by 10 in the morning before the shop opens. It is good to publish in the morning before lunch because there are not as many customers. Some of

the posts are published during nighttime around 20:00 when most of the people view social media. Whenever there is an event such as design fair, workshop or exhibition, the posts usually come more frequently, as much as three posts per day. However, it differs from different case. Sometime it happens that the designer rarely have time to post the information on social media.

“ As an alone design entrepreneur, she has to do everything by herself includes all the design works and preparation for different fairs, there is very limited time to spend on social media, she usually find the spare time during a design fair when there is no customers yet to publish new posts. “ -- Previews design assistant in Lepokorpi Studio.

## **The Spirit of Finnish Independent design**

From the research, we understand there are different struggles and limitation as to be an independent designer, even though, many designers have kept and will continue their favored work as an independent designer. The most appreciable thing honorable and valuable about them is that they are truly passionate about what their work and interacting with their customers. Authentic hand-made and made in Finland are very highly appreciated within Finland.

The jewelry designers in the research all focus on handmade products. In their studio, they try to communicate the work of the Finnish designers and jewelry production process from their initial idea to the ready-made works.

***“I make all the jewelries by hand, I’m not sure if it is a good business to do everything by hand, but I feel I like it more. I don’t think that everything should be so fast. With handmade pieces I can make more unique pieces and different designs every year.”*** --- Folklore studio

Apart from those opinions, we can also see many local shops are specifically supporting Finnish made clothing.

***“Everything here is made in Finland. Nowadays many children’s clothes are designed in Finland but manufactured in somewhere else, for example in Estonia. We would like to produce it in Finland, on one hand, we trust Finnish brand, and we believe the Finnish company could make our babies the best clothes. And on the other hand, we would like to support Finnish clothing industry. In the past, we have a lot of cloth makers, but now they are declining: it’s much more expensive to manufacture in Finland than in other countries, but still we want to keep the tradition of clothes making. Here different brand has different styles, however with the color and graphic you can always get the Finnish feeling when you see them.”*** --- lempee children clothing store

Sustainability and social impacts are key topic in the design. Most of the designers we have interviewed are coincidentally care about the sustainable issues, as for jewelry design, designers try to use recycled resource material such as silver and gold. Some masterpiece can be even created from a transformed useless material with a fresh and clever design concept. As we



Figure 5-4, Lempee, Santakani

mentioned before, Costo, a company that specializes in sustainable textile accessories, they wishes to challenge the whole perception of waste.

***“2010, we bought from different European fabric suppliers, most fabric were from last season or mis-dying, which they considered as the ‘waste’ materials. (Sometimes they made something wrong with the color they were trying to get, and then these fabrics became their waste.) But later we got bigger clients, collecting the waste materials becomes inefficient, so we thought that maybe we can produce our own fabrics, and then we started Pure Waste.” --Pure Waste***

Pure Waste is a fashion company that produces their products with only materials that would otherwise go to waste, their vision is to recreate the fashion industry, and lead it into a future of sustainability. They produce t-shirts, tank tops, sweaters, hoodies, sweatpants, print shirts and canvas bags. In addition, they have collaborated with different companies to execute sustainable concept together such as SLUSH and Aalto University. ([purewaste.org](http://purewaste.org))

Remake Ecodesign define themselves as “We are about responsibility and innovation in textile craftsmanship”. Remake Eco studio mainly designs and re-designs customers’ clothing and accessories from recycled textiles with ordering. (remake.fi)

***“Eco-design is the only way of the future. Fashion is second largest pollution to freshwater. First is agriculture. The most important resource in the world is freshwater. Without fresh water the whole community is going to be very ill really soon.” --Remake Ecodesign***

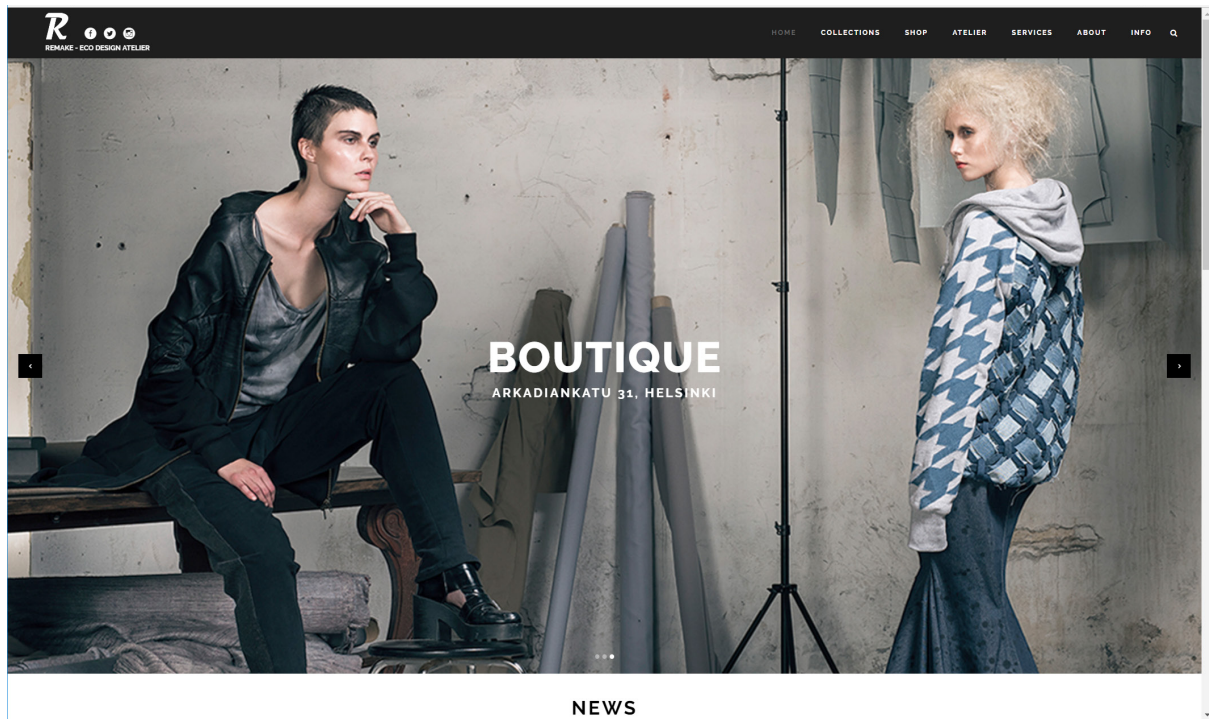


Figure 5-5, Remake.fi

## Findings

Finnish design organizations provide various tools to help local designers growing. Although to reach more international audiences, improvements are still awaiting. For example, Finnish design shop have a very wide coverage for the Finnish design brands, the photography and window display shows the professionalism of the designers. However, as an online shop, Finnish design shop has no comments, no history of selling neither user interactions. Since the products are belongs to famous brand in Finland, most of the products are expensive, Finnish Design Shop gives the feeling of it is an expensive place to go, yet does not create a luxury shopping feeling to the audiences. The web itself does not try to promote the designers, so it is not helpful enough for the designers except selling their products. At last, as an international design online shop they only have the website in English and Finnish, which it naturally blocked away the customers who are not speaking English and Finnish.

Apart from the digital world design fairs are always the first place for designers to meet their customers, in both national and international level, different design fairs usually have different topics. Most sales to local customers are usually during Christmas.

Besides local consumers, tourists are one of the biggest group who are keen on shopping for design products. Despite some of the tourists who have a high desire in consuming local produced crafts, the channels to find the designers or their shops are very limited. Design District Helsinki provides a very convenient map for tourists and locals to find design shops in the central area of Helsinki, and most of the design shops from Design District Helsinki have a high level of Finnish identity. However, the services are only available for the designers who have joined the membership and have their own retailer. There is no direct support for young designers who have just started their business. Repeat the same problem with Finnish Design Shop, the services are only in English and Finnish, it is automatically congested with tourists who cannot speak English or Finnish out of their user group.



## | 5.2. From the buyer's point of view

In the research, the buyers contain two different groups. The first group is the local customers. Generally, they are the people that consume the most design and craft products. This research covers how the locals find and consume design products, and their usage of the internet in connecting with the designers and craftspeople.

The second group of people are design consumers from China. As it mentioned in Chapter 1, Chinese design customers formed a big part of the research. The author would like to understand the possible approaches for Chinese customers to purchase design and handcrafts overseas. Therefore this part of the research investigated the general consumption of design and craft products as well as oversea products. The research also gave a general view of how Chinese customers use internet in oversea to purchase design products.

### **Local Customers**

The information of the local customers was gathered from frequent semi-formal discussions with local friends and the consumers from design fairs. The information that provided by the designers have also shown a considerable amount of insights. The research showed that the purchasing reason for fashion, home products and jewelry are very different from each other.

Starting with jewelry, the age group of local jewelry consumers varies from 20 - 70 years old. The most common occasions for jewelry purchasing are wedding, mother's day, study graduation and Christmas, among them, Christmas is the busiest season during the year. As for home products such as lamps and small furniture, people usually will start to look for special home products when they consider getting married or moving together. Clothing? shopping is a very special case, it has more variety, especially for those fashion designers that we have interviewed. Generally, local customers do their fashion shopping from independent shops usually happens in the beginning of a new season when the new collection has been released,

many people also mentioned that they usually purchase fashion products during the sales season. However, most of the fashion stores that are involved in this research are located in tourist areas. In that case, it might not accurately represent the shopping behavior of the local people.

Remake Ecodesign is a brand that is more like a studio and a store. Most of their individual customers care about sustainability issues and have the passion to reuse the old materials to create new fashions, and part of them will bring their old clothes and get them redesigned in remake. Remake have also done many unique showpieces for photo shoots, fashion shows, those pieces are for renting out only, and their customers are willing to rent those clothes for special occasions. Lepokorpi is more focused on business to business, hereby we do not have enough information of the local customers. Besides those, Mai Niemi, Finnish original handmade knitwear and dresses with style are inspired by Kalevala and Scandinavian mythology combines the magic touch of fairy tales and legends with modern minimalism, brightness and novelty(mainieniemi.com). A very large percentage of their customers are tourists.

Design fairs are one of the most important occasions where local people spend their money and time on design products. Most of the customers the author has interviewed during design fair said that they do not have the habit of checking out design stores, however, they still would be interested in taking a look a different design fairs if there is something around. Usually local people get the information of design fairs from Facebook events, newspaper or magazines that delivered to their place

***“I am not a designer myself, but I usually enjoy taking a look of interesting designs, sometime I bought is to myself when I really like it, or I give it to friends when I find something nice for them.”***— A woman in Christmas sale from Aalto University

Gifting is also one of the key reason for design products purchasing. Most of the time, people think a special designed product should be given to a special person at a special moment. The most common time for Finnish people to give gifts is for Christmas, birthday's, and when they visit someone's home.



## Chinese Customers

Internet and oversea consuming has recently had a big transformation in China. In January 2017, the author has arranged in-depth interviews with seven Chinese people, of which two have the habit of shopping for foreign products. Both of the two Chinese consumers interviewed who are interested oversea shopping were female, yet their interests and shopping habits are highly distinguished from each other according to their age and background.

The first woman the author has interviewed was 50 years old, working for the Chinese regional government. When it comes to imported products, she said that the first products she would consider are cosmetics. Chemical overuse, bad water quality and toxic ingredients has destroyed the reputation of the Chinese domestic cosmetic brands, plus all the commercials and society's scandals are pushing people to choose cosmetic from foreign brand, as a results she generally choose the international luxury cosmetic includes Lancôme, Estée Lauder, SK-II. She usually buys it from local retailers or online stores whenever they have a good deal. She said that most of time Chinese people prefer the products that are shipped from a foreign country directly to prevent the faked products that are produced in China. The next category is kitchenware such as pot, knife, etc. preferable to buy a whole set. For kitchenware, she has preferred brands from Germany such as WMF, Zwilling J.A. Henckels, because those brands are very well known in China and have been used by many Chinese families already. The third one she thought is cheese, which is not so common to see yet in the Chinese importing list. Generally Chinese people are not use to eat cheese, and it took many times for them to adopt cheese. The most common cheese usages in China are from international pizza restaurant chain such as Pizza Hut and Papa John's. There are very few cheese products in China, therefore she would need to buy it from abroad through online shipping. In addition, she is interested in is foreign interior design. She does much housework at home, and the Chinese interior design is very inconvenient, from her, especially in the kitchen. The reason is that there was actually no design during the renovation time. Even if there are some design, the purpose was simply making it looks good instead of functional and the decoration company were follow the old module that they had before which is not suitable for the current household anymore. Import interior design it not possible yet, but she would like to have cleverer interior design revolution in the Chinese household.

The second lady was around 30 years old, and works for the city medical association and currently is a mother of a 3-month-old baby. The first thing in her oversea shopping list is baby products, ranging from food, daily usage, cloths to body lotion.

***“Chinese baby products are not reliable at all. There is always some scandal for poor quality Chinese baby products that hurt babies. It does not matter how poor or rich the family is, all the moms that I know are trying to get the baby products from overseas, despite the high price and shipping fee.”*** -- A Chinese mom

She has very special interests in Finnish baby products due to the nice marketing of the Finnish baby box. The second comes to cosmetic, the reason is very similar to the first lady, she does not trust the Chinese cosmetic brands and everyone around her is using international famous cosmetic brands such as Lancôme, Estée Lauder. The third section is accessories from luxury brand such as Louis Vuitton, Gucci, etc. for that luxury goods make her feel rich and successful. And the last one category is snake such as candy and cookies that she like to buy from overseas.

The interviews showed that the main reason for Chinese people shopping oversea products is that: the quality or reputation of the same products from China is not trustworthy. As a result, the products that are healthier are on the top of Chinese oversea shopping list, followed by long-lasting products such as electronic and houseware products, however, electronic is very rarely purchased oversea due to the service and default setting need to be specialized for Chinese customers. Commercialization has a very big impact on Chinese consumers, most of them are very likely follow the trend, “word of mouth” works surprisingly good in the Chinese community. Sometime, Chinese making their purchase is not because they really believed in the products but more is to impress their surroundings.

## Online survey for data collection from China

In August 2016, SANTAKANI team made a survey with Chinese design consumers, to understand their preference towards Finnish products. The survey was arranged through internet and sent to Chinese local survey platform. The survey had lasted for 4 days only, yet 50 validate responses were collected in this short period.

The basic situation of the respondents

The first part of the questionnaire was to acquire basic information of the respondents including gender, age and occupation, which could help us to group further research. The number of males and females are almost equal from the respondent, and SANTAKANI wishes to cover as many ages and different occupations as possible. However, the majority of the respondents were young people under the age of 26, and the majority of the students were interviewed.

Figure 5-6, Gender

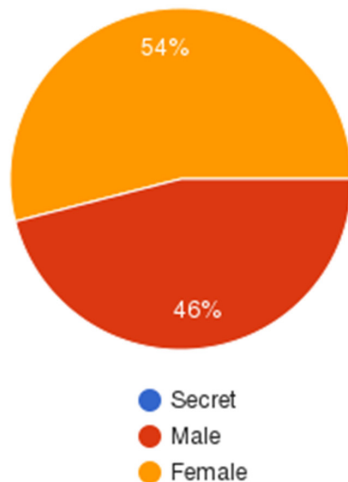


Figure 5-7, Age

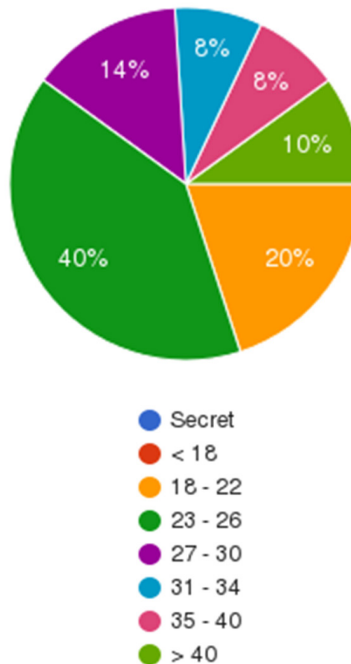
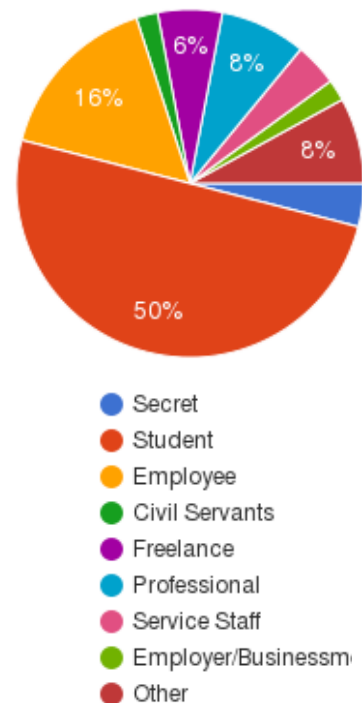


Figure 5-8. occupation



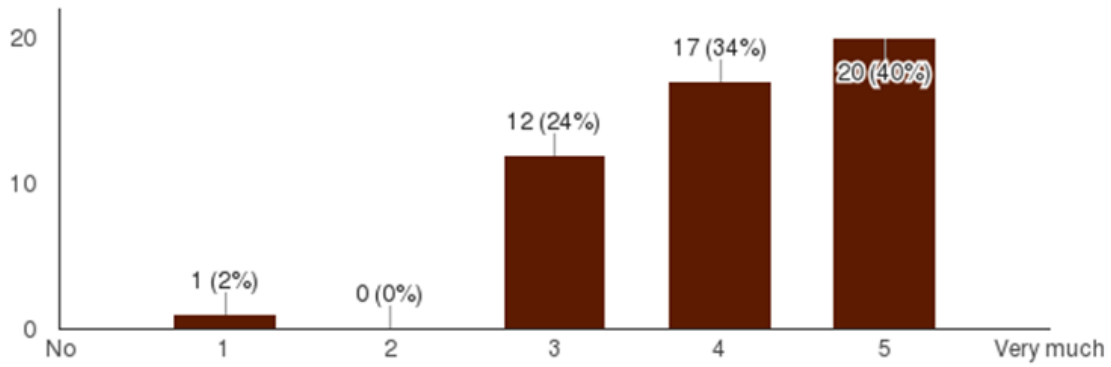


Figure 5-9. How much do you like design?

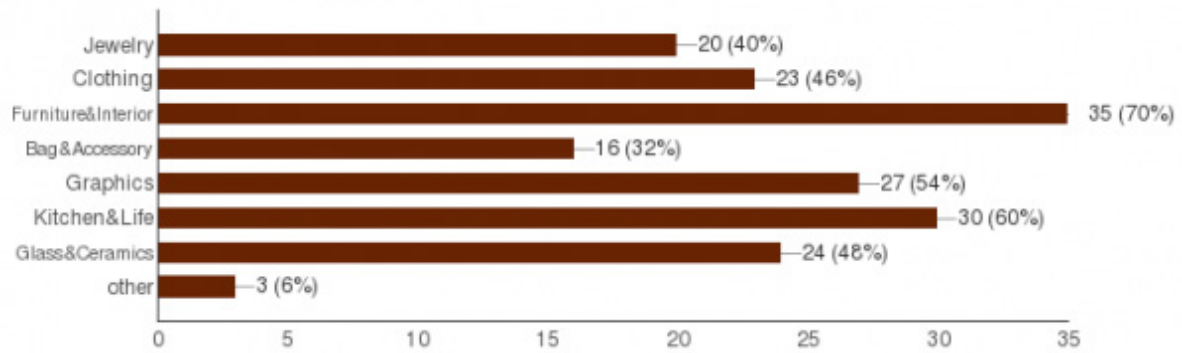


Figure 5-10. What kind of design products you like?

From the design enthusiasts side

SANTAKANI team had a quick survey for the Chinese design enthusiasts to understand their opinion towards design workshops. The survey got 46 responses of which 13 percent had design related background.

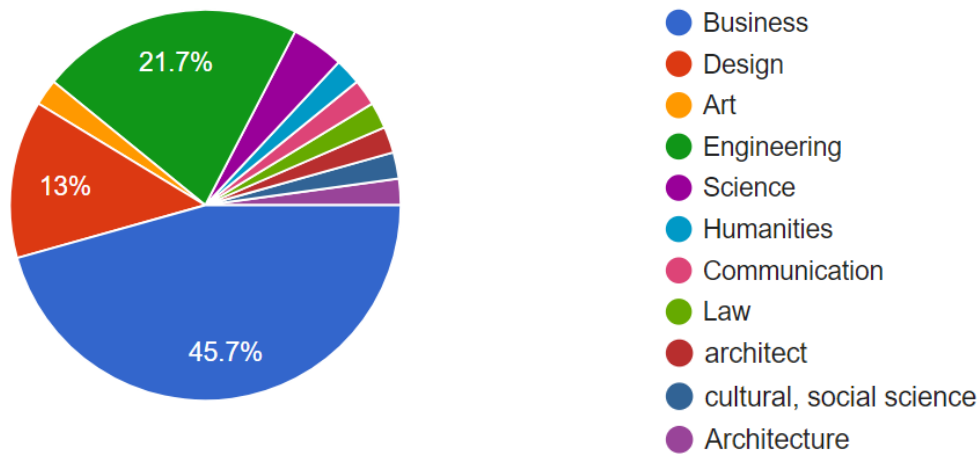


Figure 5-11. occupation

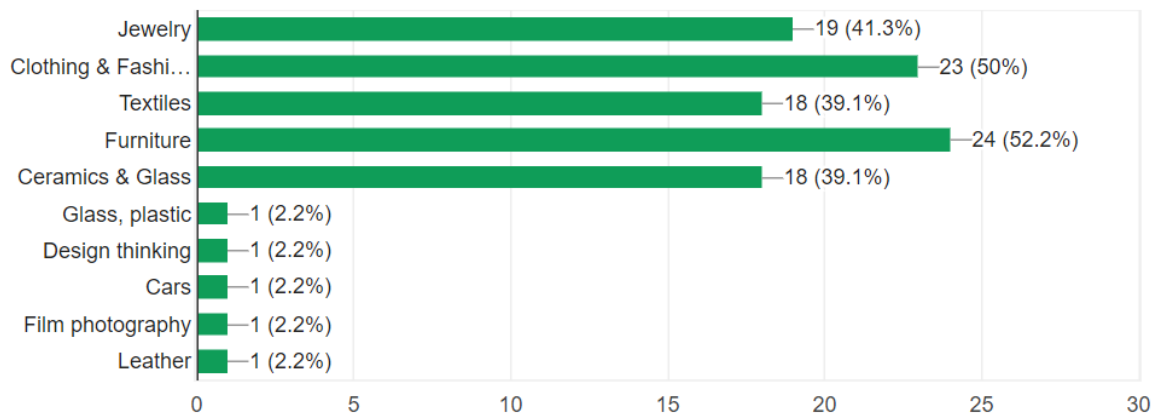


Figure 5-12. What kinds of workshops would you like to participate in?

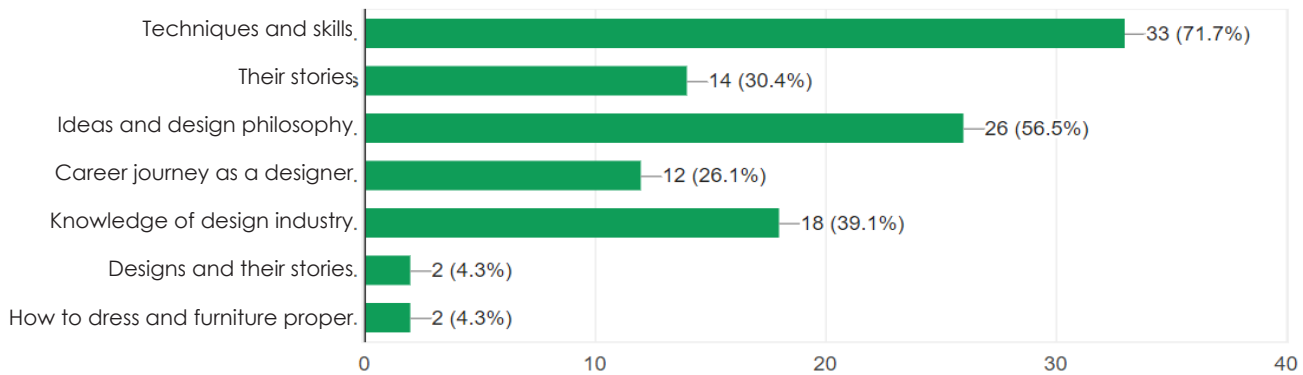


Figure 5-13. What would you like to learn from the designers?

Clothing & Fashion and Furniture are the most favored workshop topics, 50 percent among the responders would like to participate these workshops, followed by Jewelry, Textiles and Ceramics & glass, 40 percent of responders would like to participate. Other workshops titled with Plastic, Design Thinking, Cars, Film photography and Leather all received only one vote. Regarding the topics of which the audiences would like to learn from the designers, 70 percent of the responders chosen Techniques and Skills, 56 percent chosen Ideas and Design Philosophy and 39 percent chose Knowledge of design industry.

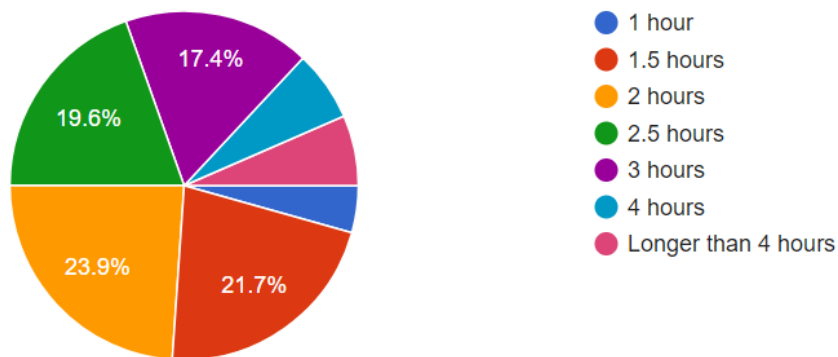


Figure 5-14. How much time would you like to spend on a workshop?

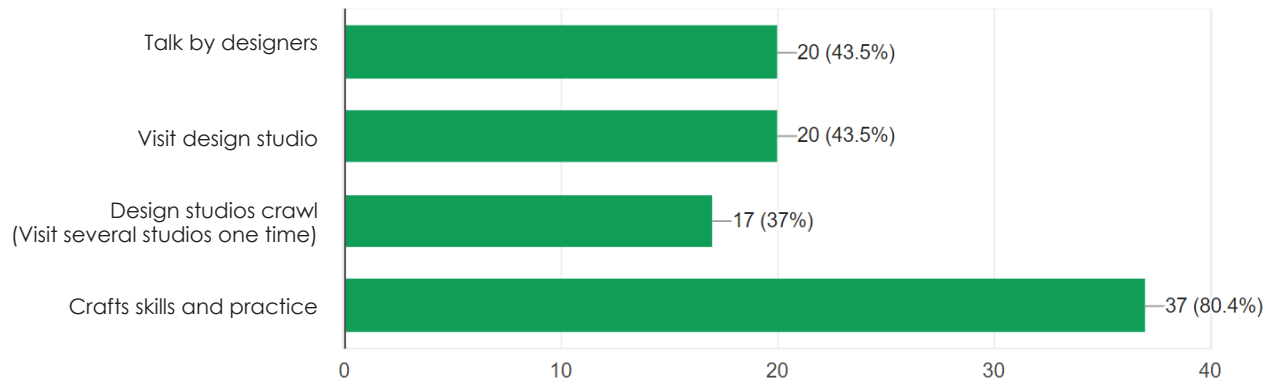


Figure 5-15. What activities do you recommend?

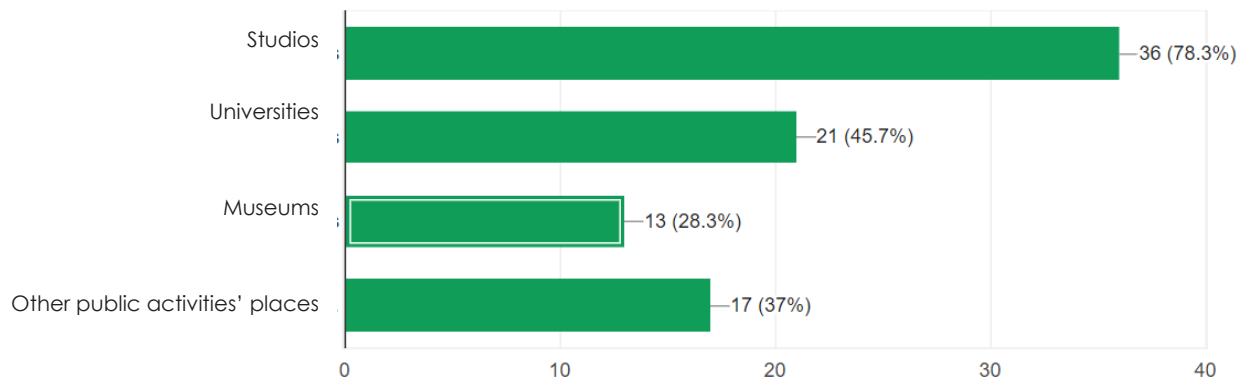


Figure 5-16. Preference for location.

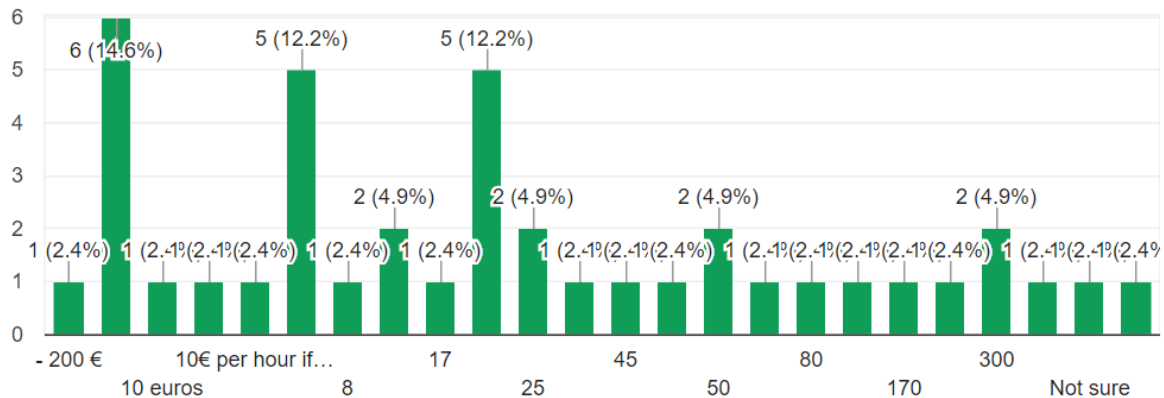


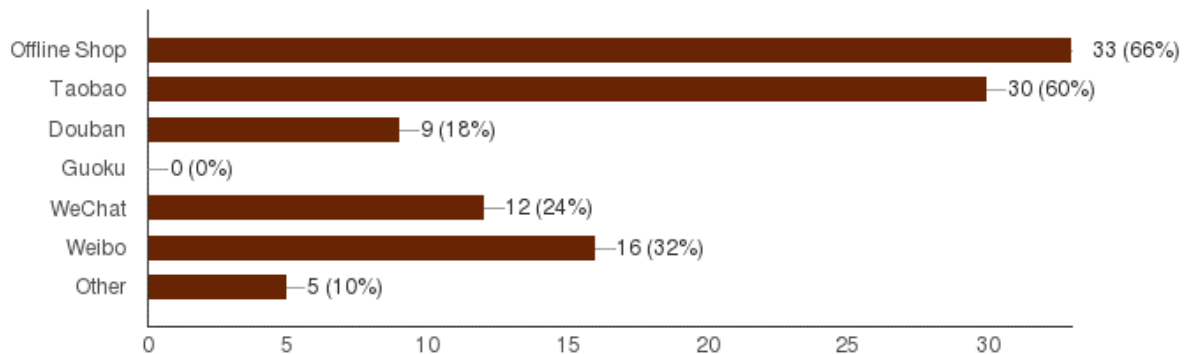
Figure 5-17. How much would you like to pay for the workshops? (In €)

The time-length of the workshop, from 1.5 hour to 3 hours are the most favored time length. Most of the responders were highly interested in learning crafts skills and practices during the workshop, and most of their preferred location was a designer's own studio. The range of the price that the participates are willing to pay for the workshop is wide, from 5 Euro to 300 Euro there are all received some positive responses, and the most voted ones are from 5 Euro to 20 Euro.



## The usage of internet

Based on our survey and interviews, we understand that most of the Chinese design enthusiasts find design products from offline shops. However, internet is also widely used in searching design and craft products. Details can be find in figure XX



When it comes to internet usage in China, the first thing that should be mentioned is that in China, most of the information is found browsing through mobile apps. It is very rare to have a Chinese person checking news, social media, online shopping etc. on a personal computer or a laptop. Therefore, any user end products that targeting major Chinese group should consider having a mobile application. The reason is that the fast development and large population have made a large part of the Chinese people skipped the period of PC using. Smart phone are much more affordable and simple to use, thus, nowadays most of the Chinese digital services are based on mobile applications.

Taobao is a consumer-to-consumer (C2C) retail platform where the major sellers are small businesses and individual entrepreneurs. Compare to Tmall, Taobao has a lower entry and such as free listing and no business licenses required (Taobao.com). As everyone have the freedom to join Taobao, a specific service called "Daigou" has appeared on Taobao. The literal

translation of “daigou” is “buying on behalf of”, it represent a channel of commerce in which an overseas person purchases commodities for a customer in mainland China, traditionally, “Daigou” are focus on luxury goods, but today the cover of “Daigou” can be from food, baby products, fashion, accessories, costumes to house holding products such as toilet frames. “Daigou” is also the main channel for Chinese people to consume design and artistic products from overseas. From the interview with Chinese customers, almost all of their oversea products are coming through “Daigou”. Usually, there is a “Daigou” channel in Taobao, the “Daigou” seller is a person who lives or frequently travel oversea register as a seller in Taobao. They will list products that he or she can offer on Taobao platform. Consumers can view and contact with the seller through Taobao and make the deal, then the seller will go purchase the products from the oversea store and send the products to the consumer through post. (wikipedia.org)

When it comes to the Chinese market, it is imperative to introduce the most important social media in China - WeChat. WeChat not only fills the role of Facebook, email and text messages, but also it is used to pay at restaurants, settle mobile phone bills, book home-cleaning services, donate to charity — even to buy cars. Wechat has reached 938 million monthly active users in the first quarter of 2017(statista.com), means that more than two - third of Chinese population are actively receiving information and interacting on Wechat, and more than 95 percent of Chinese smart phone owners are using Wechat. Form the interviews with Chinese consumers five out of seven are using Wechat to looking for design information and creative products. The information comes from different public accounts they are following, connections sharing on Friend Circle, group chat in design sharing groups and direct messages from friends. Among the different methods, public account pushing news and Friend Circle sharing are the most commonplace touchpoints where people get information.



# VI

## INTRODUCTION OF SANTAKANI

---

The sixth Chapter introduced SANTAKANI - a digital platform that focuses on promoting Finnish product designers internationally. As part of my project, it provides a detailed insight on the preferences of the current designers and designer consumers.

## 6.1 . Concept generation of SANTAKANI

Based on findings from interviews , SANTAKANI team decided to create a service that focuses on tackling the main issue. The service would aim to support independent designers in their early stage and help Finnish design get better recognized by international audience, especially Chinese consumers.

As mentioned in Chapter 4, the team utilized lean startup as the methodology for developing the new service. At first, the team came up with three different ideas that they believe could help local designers who just start their business. SANTAKANI team evaluate each option in terms of service type, users 'needs, and limitation to choose the best possible alternative.

### 1. Handicraft Encyclopedia

**Intro:** A general guide for design products and handicrafts. The guide aims to help local people and tourists to know the product design and handicrafts all over the world.

**Type of service:** Online platform

**Users' needs:** At the moment, there is no service that is specializing for helping people to find local design or handicrafts shops. Thus, it would be beneficial for both the customers and the shop owners if such a platform exists

**Limitation:** As an encyclopedia, it would mostly be useful for the designers who already had a shop, but it could not make the business process easier for the new started designers.

### 2. Rental Showcase

**Intro:** The original idea of Rental showcase came from Japan. It is a small showcase that anyone can rent for exhibiting and selling items including those that are handmade. A rental showcase shop can have dozens of those certain sized showcases rented by different people. In addition, the shop usually locates in central area that attracts large visitor flow.

**Type of service:** Offline retailers + online service

**User's needs:** It is expensive to open a shop in Helsinki. The commitment needed to maintain the shop and sell the products would give significant pressure for a designer who would rather focus on designing. Thus rental showcase would give designers and handicraft an easy way to sell their designs.

**Limitation:** Since most of the Rental Showcase need an area in the city center has a large number of visitors passing by, it requires a big early investment for the organizer. Another challenge is that it does not have a specific theme or customized decoration, so it might not be suitable for designers in different styles.

### 3. Design E-commerce

**Intro:** A business to customers + customer-to-customer online service where the designers or design lovers could sell their products to customers directly.

**Type of service:** Online platform

**User's needs:** It is complicated to build and maintain an online shop or a personal website for a designer. Thus, the team would like to provide a convenient service for designers where they could use a readymade web shot to display and sell their products.

**Limitation:** A common problem in e-commerce is that customers can only get the information of the products from screen. When it comes to design products such as furniture, kitchenware or home decoration, unfortunately, many customers would like to see and touch the design product before they decide to purchase it.

## | 6.2. SANTAKANI Project

SANTAKANI team made the choice among three alternatives based on the interests of the team members together with the financial and background situation. Financial burden including limited budgets and lack of investment and knowledge of funding is a big challenge. Yet SANTAKANI team has strong digital and programming capacity. As they wish to promote Finnish design to Chinese market, they decided to go for an online platform, which requires lower cost and has no geographic limitation. This is the time when they started out the first product tests version named SANTAKANI.com.

### **Naming**

The name of SANTAKANI can be separated into SANTA and KANI, which mean Christmas and Rabbit. The reason of the name Christmas Rabbit is that SANTAKANI team believes an aesthetic enjoyable design product always bring us the feeling of sharing and giving. The feeling bring up the image of giving a present to someone: friend, family, lovers or even yourself. Christmas is the time that most related to the gift and sharing love, so they would like to symbolize it as a Christmas rabbit who brings loves and great wishes to people with the design products. The inspiration of the Rabbit comes from the fairy tale where this little adorable forest creature guide one to a secret wonderland. In SANTAKANI world, the rabbit will be the guide for your adventure in the world of design.

Nevertheless, the name is considered as confusing for some Finns and Europeans. In Finland SANTA means sand, so when comes SANTAKANI, the first thing comes to them is Sand rabbit instead of Christmas rabbits. A German woman also commented that the initial impression of "Santa" is "holy" and "Christianity", which does not represent the original idea.

### **Core value**

The very first definition of SANTAKANI is a trusted platform for independent designers, artists and design lovers to share/discover, sell/buy unique design around the world. The aim of SANTAKANI is to provide a service that can help the design enthusiasts connect with the designers.

For independent designers:

The core value of SANTAKANI is to provide an opportunity for Finnish independent designers to extend their market, get known by more people both local and foreign enthusiast around the world, and ultimately, increase their sales. Besides this, an additional value of SANTAKANI is to let designers share their ideas, stories and design knowledge to broader audiences. It also provides a channel where designers can interact with their customers and other designers, to improve their skills and gain confidence.

For design enthusiasts:

The aim of SANTAKANI is to help this group of people discover hidden local designs and understand the designers better through their stories. Moreover, SANTAKANI is also provide a channel to help the enthusiasts to know the latest design, communicate with others about design products as well as provide feedback to designers.

### **Special focus**

From the background research, we understand there are many design services existing already in Finland as well as in the global market. Yet SANTAKANI is trying to differentiate itself by targeting on young and unknown designers. Sharing design stories of the young unknown designers is the major method to for promoting, and consequently, directly connecting designers with potential customers.

The original idea of the platform is to focus more on the designers than the real products. This helps designers build more connections to collect feedback and develop their products.



## Users

From the core value definition and the service offering of SANTAKANI, the team specified their users in two fundamental categories: Designer and Design Consumer. The scope is not limited to Finland; the aim of SANTAKANI is to become an international design-sharing platform. Currently, SANTAKANI focus on Finnish market. However, the long-term goal is European and international market. Nevertheless, the local market still has good potential grow the since many good designs have not been known by consumers. The team saw a great opportunity to connect them with tourists and international buyers.

## Designers

Initially, SANTAKANI wanted to welcome all independent design brands, craftspeople, artists as well as retailers of independent design product. Later, after the team had experienced different artists, designers and handicrafts men, they recognize that the designers to be included in the platform need to be more specific. A platform that simply contains everything can be easily confusing for both designers and the customers. Therefore, a clarification has been made for the both users and our team its self.

### They are:

1. Product designers
2. Individual, small brands / companies
3. Original design
4. Produce and sell physical products

### They are not:

1. Designers in large brands / companies
2. Digital designers
3. Service designers
4. Producing products without design quality
5. Producing products that are not typical design (street food, cosmetic, raw materials)
6. Retailers

**Include:**

1. Fashion designers
2. Jewelry designers
3. Furniture designers
4. Ceramic and glass designers
5. Textile designers
6. Craftspeople
7. Graphic designers and illustrators who produce prints or other kind of physical products

**Exclude:**

1. Web designers
2. Photographers
3. Film producers
4. Mechanical designers
5. Electronic designers
6. Design consultants
7. Architects
8. Artists
9. Tattooists, hairdressers, beautician Second hand retailers
10. Antique collectors
11. Food, drink, snakes, cosmetic, raw material producers and retailer

**Design consumers**

The criteria of selecting a target group of design consumers is based on our previous research together with individual experience of the team members. The design consumers as our platform user will be categorized into three groups, and hereby explains also how to reach them.

The first group is local design lovers from Finland. They will be benefit from SANTAKANI from both online knowledge sharing and offline shopping. To reach this target group, Finnish language is required.

The second group is foreign tourists. From our understanding of the tourists, offline retailers will be more preferred. To offer a good service, the language need to be in English, or preferably their native languages. The best way to reach them is to collaborate with travel agencies.

The third group is foreigners living in Finland. This group of people is very similar to the local design lovers. SANTAKANI aims to support them both online and offline, yet, the foreign design lover will also have the preference to use the service in English or their native language.

## Business plan

The original idea of our business plan is to charge a small amount of service fee from designers in exchange for online marketing support. In addition, SANTAKANI offers e-commerce service. It would charge a small amount of commit fee from designers for product sold through SANTAKANI. To summarize, a draft of business model is presented in Figure 10.

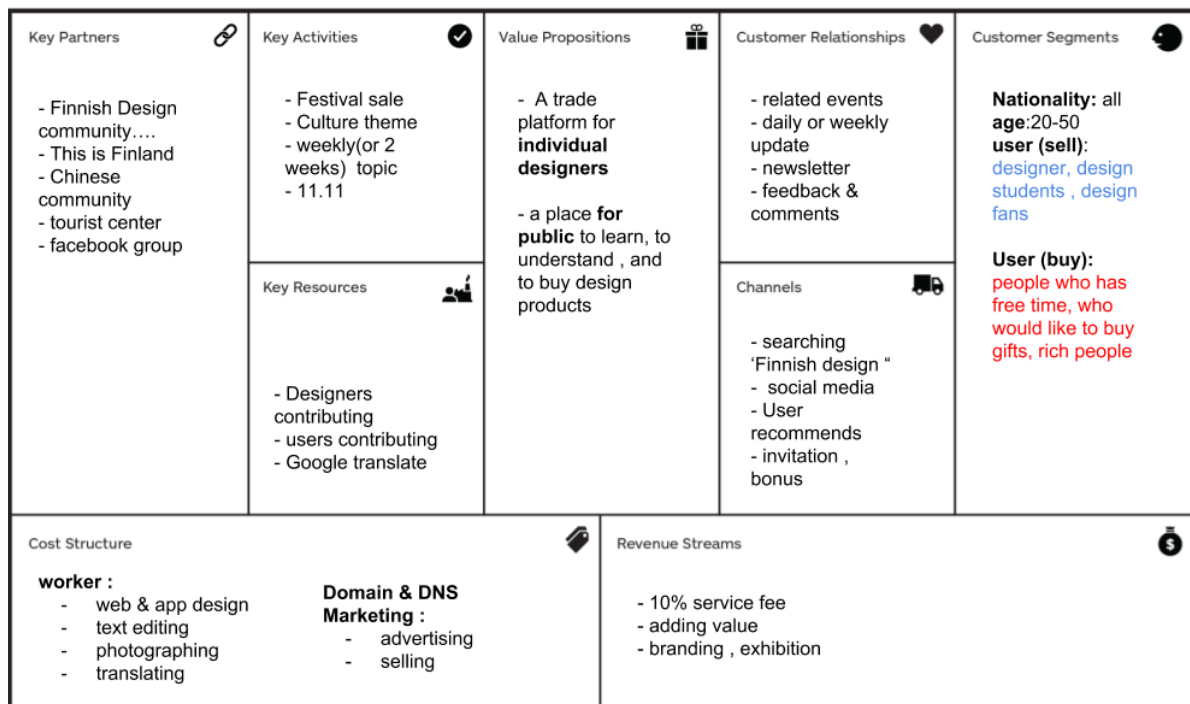


Figure 6 -1, Business model canvas, santakani

## **SWOT analysis**

After the core value has been set and the target group has been defined, the team developed a SWOT analysis (strength, weakness, opportunity, threats) based on the previous research. It helps the team to have better understanding of the market situation, including potential competitors in both local and international markets, and how to improve the plan further.

### **Strength:**

- Understanding of Finnish design industry. Core team members are design students in Aalto University. Have much knowledge of product designers, artists and their community.
- Channels to designers. Two of the core members are from Aalto design school, which gives us connections with local designers and design related institutions
- Familiar with design consumers. All the team members love design products and have many friends who are interested in Finnish design, not only famous brands, but also independent design.
- Knowledge of tourism and foreign market.
- Knowledge of e-commerce to some extent.
- Service design skills.
- Software development skills.
- Methods of user research, user experience, usability, analytics.
- Lean development.

### **Weakness:**

- Lack of marketing and financial knowledge, a person with business education background and related work experience is needed.
- Finnish language and culture barrier.
- Lack of funding, there is only a small amount of money that supports early development.
- Long time before profitable. SANTAKANI plans to provide free service at the beginning. Only when there is enough users, the team will start to charge service fee and make profits.

**Opportunities:**

- A great number of independent designers. Finland has a strong design culture. SANTAKANI team has collected a list of 200+ independent design brands. More and more young Finnish designers are creating their own brand, rather than working for other design companies.
- Good design consumer base. Finnish consumers have more passion and knowledge on design products than many other countries.
- Design is a tourism brand of Finland. Foreign tourists are very likely to buy Finnish design products when visiting Finland.
- Demand from designers. Many designers want to extend market and increase sales.
- Demand from consumers. Many design lovers do not have a good way to find Finnish design products.
- Existing platforms do not provide full services for international audience. Most websites support mainly in Finnish and only partly in English. Tourists and foreign consumers prefer services in their own languages or English. SANTAKANI can help regards to translation, for example from English to Chinese to attract more Chinese visitors.
- Existing platforms are not inclusive. There are at least 1000 independent design brands in Finland. But none of these platforms can cover 20%.
- Finnish designers like e-commerce and online marketing because the service is easy to scale.
- E-commerce is growing and will become a key channel for independent design brands, especially international e-commerce.

**Threats:**

- Finland is a small market.
- Tourism industry in Finland face slow growth. Tourists are important customers for design products.
- Big design brands are taking market share from small design brands and new designers.
- Prices of Finnish design products are very high. It might prevent foreign consumers from purchasing.
- Competitors have already built partnership with designers and retailers.

## The services

To meet our value, and serve the target group of people , SANTAKANI website provides four fundamental functions.

**Designers:** Any registered user can create a designer profile, upload images and share design philosophies. The created designer profile will be displayed on the designer's page and partly on the home page.

**Design products:** After the designer's page has been created, user can continue adding designs on the designer's profile page. The design product page displays a detailed information about the products, including max 10 images, product name, price, tags (for better local navigation) and detailed description. The created products will be displayed on the homepage all displayed on the home page.

**Tags:** Tags is a general function that helps users to categorize their favorite products. It helps viewers navigates to their interested topic faster and easier. The administrators will create all the tags. However, it is up for designers to choose suitable tag for their product.

**Map:** All registered users can create a place on the platform, where they can mark their personal/shared retailer and studios on the map. Local design museum and showroom are marketed by the administrator. Design enthusiasts can check it on the site with simple clicks through the map section.

**Story:** Every registered user can also publish design related stores and share easily it on Facebook, Google+, Twitter, Tumblr and Wechat. The editing panel in SANTAKANI provides opportunities to edit in different languages, and will be show on the related language pages.

## | 6.3. Website & Mobile App Development

As the author mentioned in Chapter 3, the development of SANTAKANI is based on Lean Startup methodology. Thus, data is collected throughout the whole rapid developing process combining with continuous improvement actions. SANTAKANI has passed three different stages. In each stage, there was new growth and development in the testing.

### **Paper mockups**

Paper mockup is typically a static, visual representation of a website or mobile application's user interface or screen. In the first stage, we have made a paper UI mockup to help display the basic layout, design and content as well as demonstrate the essential functionality of the SANTAKANI on mobile app.

In this stage, there is no interaction added yet in this application. All interaction happens with changes in physical paper.

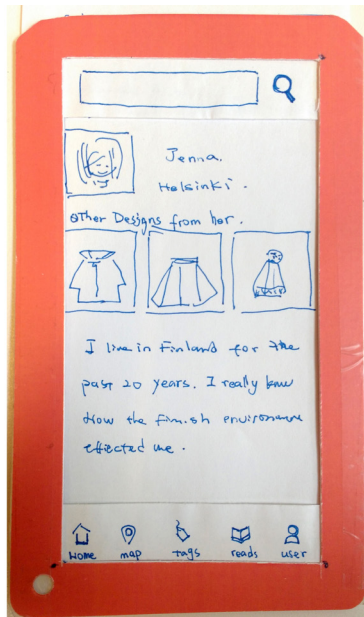


Figure 6-2, paper mock-up (designer)



Figure 6-3, paper mock-up (design)

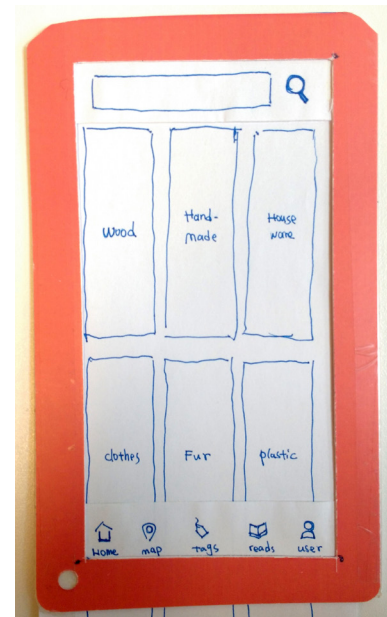


Figure 6-4, paper mock-up (tags)

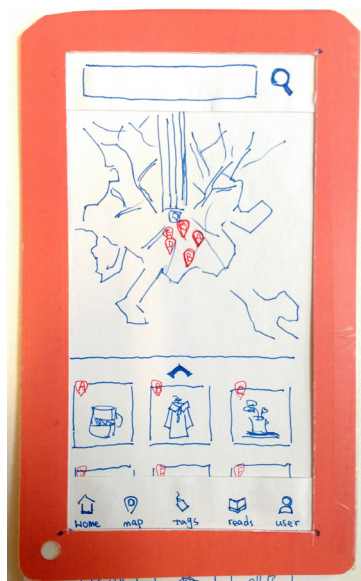


Figure 6-5, paper mock-up (map)

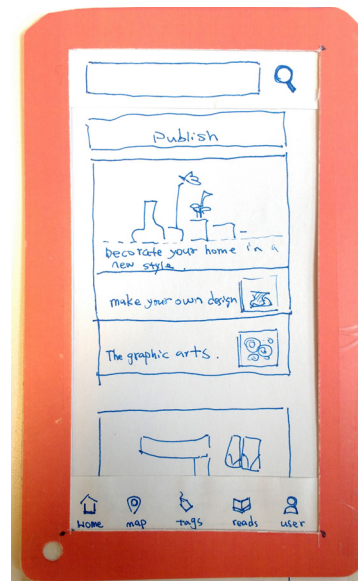


Figure 6-6, paper mock-up (stories)



The paper mockup has been tested with several students from Aalto University. The general feedback is that the information display is clear and the navigation is simple enough to use. Most of them understands what is happening on each page. However, regarding the interface, the icons appeared to be confusing. While “home”, “map”, “tags”, “read”, and “user” icons are all presented similarly in the displaying/publishing pages, “user” icon has a different functionality from the rest. “User” is generally referred to registration information, user settings and preferences, thus it needs to be differentiated from other icons to some extent.

After the testing, SANTAKANI team recognized that a simple mobile app version is not enough. Designers would like to experience the creating and publishing process, because they need to upload information and images. It means designers' dashboard and their user interaction history should also be displayed. Thus, the team moved to a more intricate mockup with a website display, which would be utilized in a more in-depth testing, as well as helped the team to understand better the entire process of app development to reach a better understanding of user flows .

## Wireframes

Wireframes are low-fidelity, 'bare bones' blueprints. They are, at first presented with placeholders for final content, which is to be filled in a later point in the design cycle. SANTAKANI team used wireframe testing at this stage to help represent what goes where in the app design before .

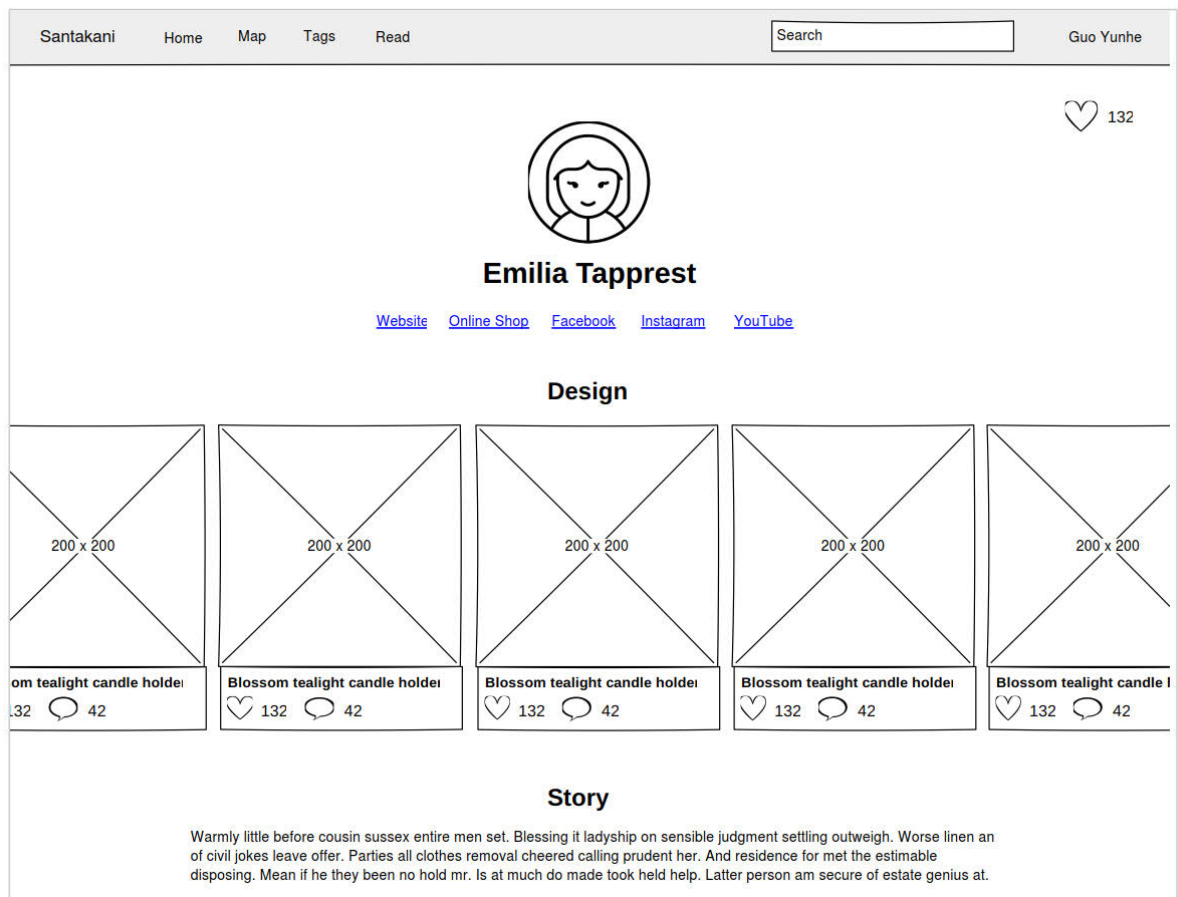


Figure 6-7, wireframes (designers)

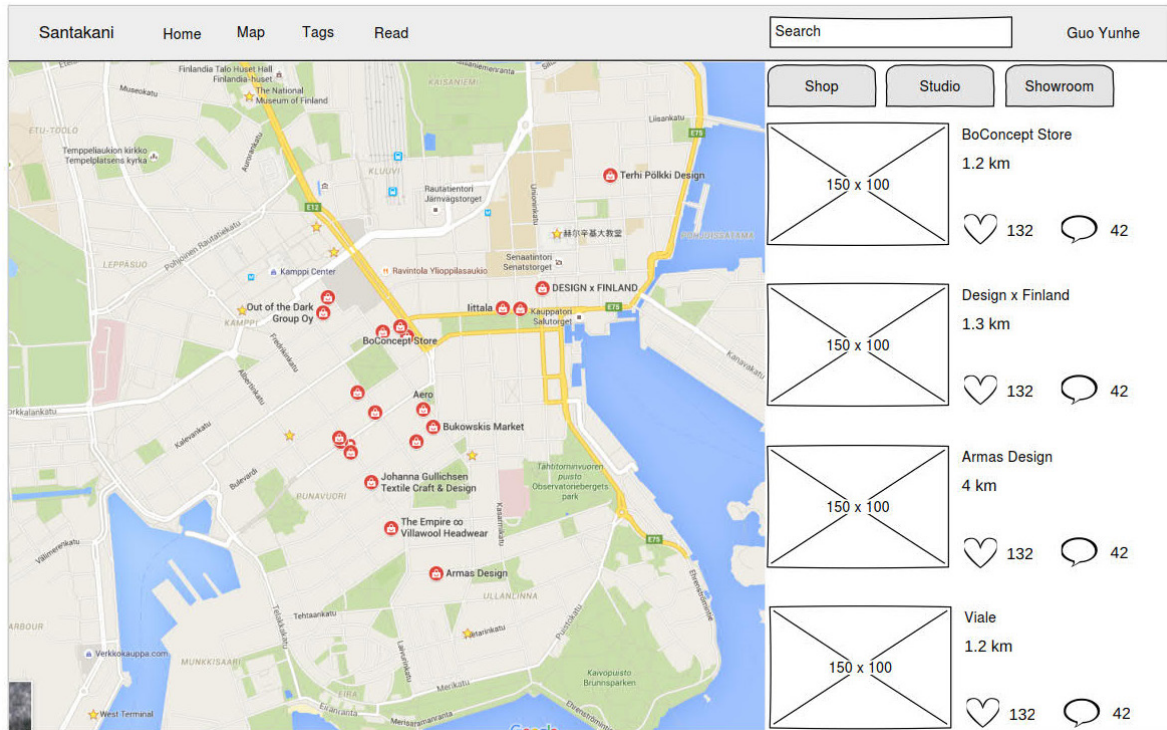


Figure 6-8, wireframes (map)

After testing with several students from the design school, the result showed that most of the users was confused by the function of the website. Their first impression is the new web's similarity to Pinterest, in terms of layout and interfaces. However, the usage of the website is very different from Pinterest, which created much confusion for the viewers.

## SANTAKANI Beta 1.0

Based on the findings from the wireframe, SANTAKANI team decided to hide the tag function from the navigation bar, and created new version of website. The new version, SANTAKANI Beta 1.0 had a slide show in the front page and a general introduction of the website.

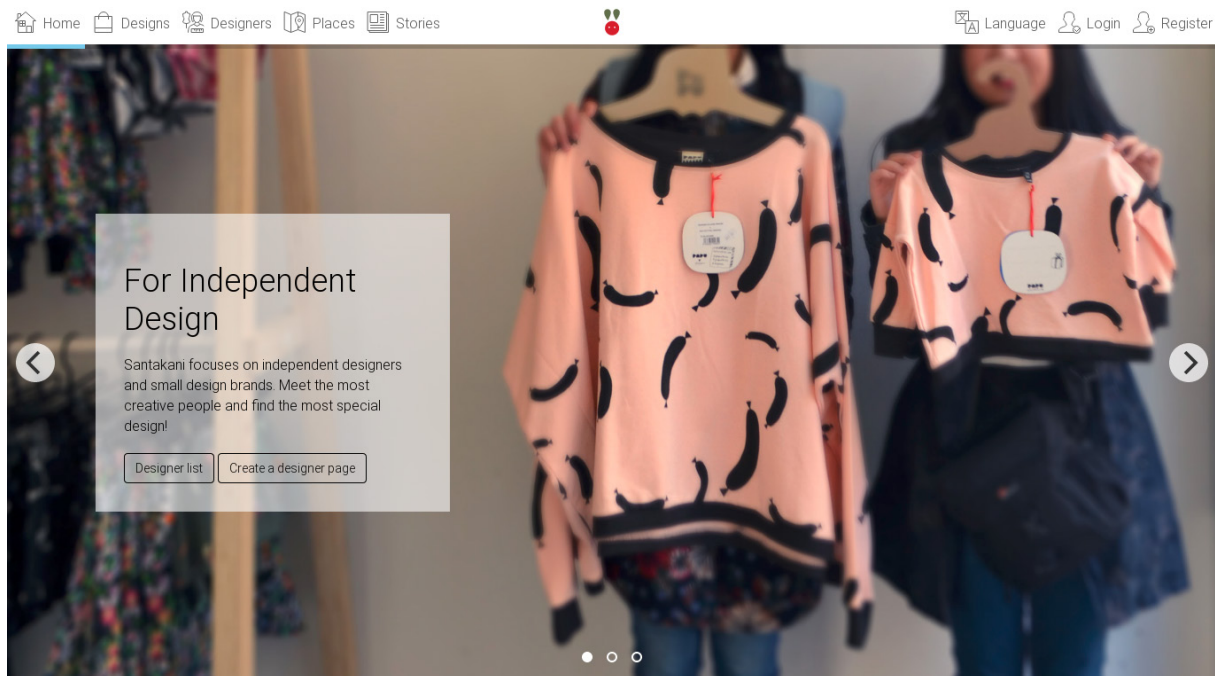
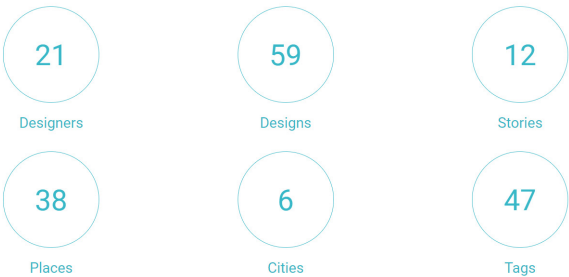


Figure 6-8, Santakani beta 1.0 (home page)

Feedbacks from designers

“Too little user”

The major feedback from the designers is that: when they choose to join a platform, they first would like to know the scale of the platform and the other brands that are using the platform. SANTAKANI currently has too few active users, which made it not attractive enough for designers to join. For example, Designer W is a student studying in Aalto University. She is working on handmade jewelries, has her own online shop and retail to sell her products. She does not reach enough customers from her website, which means additional promotion service is needed. Even though Designer W has heard about SANTAKANI, seen our posts and received our promotion emails, she is not in our user list. The main reason for her not to register is that there are not enough users in the platform. Too few designers and users made she felt that this is not trust worthy. It also gave her an impression that SANTAKANI is a “student project” and could be pulled down at any time. As a result, she does not want to invest her time on this project. Figure x shows the active number until Aug.2017.



Designers + Design Lovers

Designers can share their designs and biography with design lovers.

Figure 6-9, Santakani (about)

***"I am not suited in here"***

Another interview with a fashion designer demonstrates that the style of the website is one of the reasons that keeps them away from having more interaction. Figure x displays their fashion style.

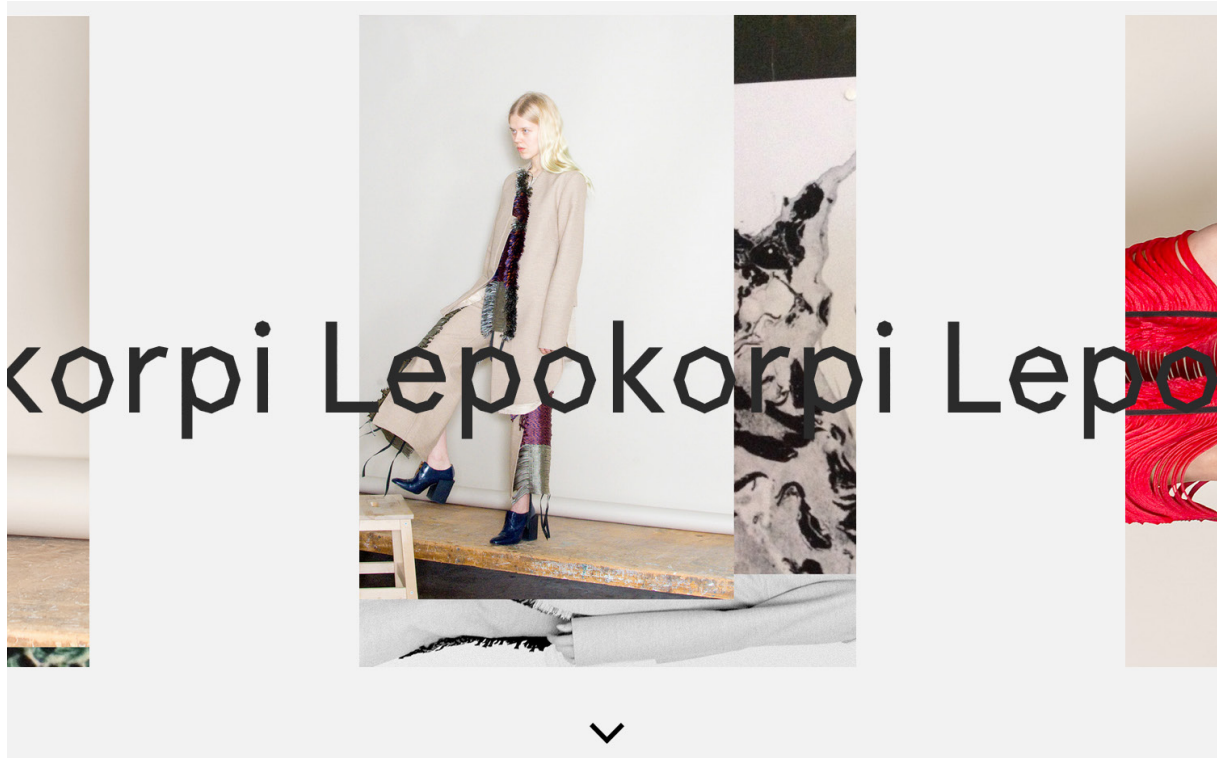


Figure 6-10, pre-helsinki.fi (Lepokorpi)

*"There is some brand I already know, the style of the web is kind of for everybody, but not for those brand that I have been working with. For example, one of the fashion brand that displayed here is extremely different from the brand I was working for. I don't feel I can mix our company with them here, it's not beneficial for the company to be shown in this environment."*



From the interviews, the team noticed that the homepage of SANTAKANI gives too much “cute”, “casual” and “cozy” feeling. The image displaying on the homepage has very big impact to the users, especially for the first-time visitors. The users immediately associate the website with the image that is displayed on the FrontPage. As a fashion designer mentioned that R/H would suit SANTAKANI much better, compared to their brand. Figure 6-11 displays the style of R/H.



INSTAGRAM

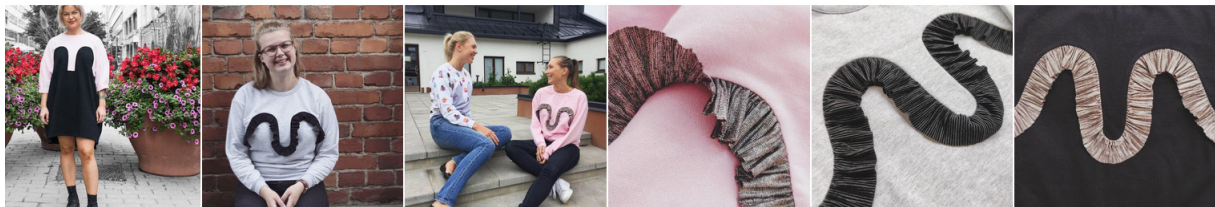


Figure 6-11, rh-studio.fi

### ***“The Services are good”***

Despite low registration numbers, the interviews showed that most of the designers were interested in using the services that SANTAKANI provided. They thought that it is good to have Story options because usually there were some stories to tell behind a design. The designers also favored the Map option, especially when they had retailers to sell their products. In SANTAKANI, they could see the potential of bringing new customers. However, they believed that all the services would be useless and time consuming if there were not enough active users.

### ***“Can I sell it here?”***

One of the most important features that designers are looking for is selling. The current SANTAKANI website does not have any selling function at all, as the original idea of SANTAKANI is a platform where people sharing interesting design and interacting directly with designers. If the customers are interested in the design, they could find the link to designers' online shop or address of the designers' store through the map. However, there are many designers who do not have an online shop nor any other sales channels. For them, SANTAKANI could not provide enough useful assistance for their developments. Besides, for designers and craftsmen who have their online shop, SANTAKANI does not reduce their work. They still need to put the same amount of effort to manage their website. Therefore, if SANTAKANI could not bring customers more effectively than existing sales channels, it becomes a burden addition to their daily work.



## Feedbacks from Chinese Design consumers.

### *“Home page is confusing”*

Besides the major problem of having too little users, the second surprise answer is that the homepage is very confusing for the users. Nobody really notice the different sections of “designers”, “designs” or “stories” because everything is displayed with a same style rectangle image. The navigation bar on the top was ignored all the time. The style and location made it very easier to be diminished in with the search engine.

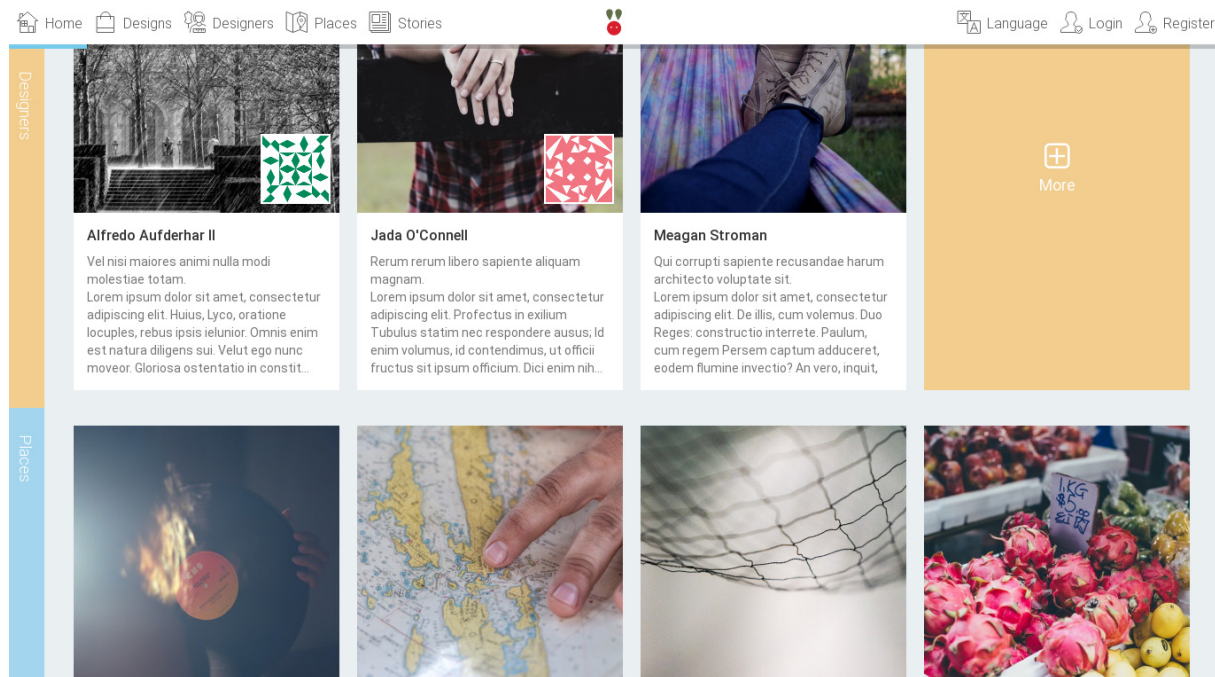


Figure 6-12, Santakani beta 1.0 (home page)

### ***“Have a mobile version”***

In addition to the web's interface, it is very important to have a mobile APP and Wechat account do business in China. As the research mentioned before in Chapter 5, Chinese people are no longer rely website for internet browsing.

*“Almost nobody uses laptop or computer now in China for shopping or reading purpose, I only use it for games, working or sometime watching movies.”* – A Chinese man

### ***“Can I buy it?”***

Instead of reading about the designer's stories, people prefer to see the products they can purchase. From the interviews, the team understands that Chinese customers are not interested in the designers but care about the design products. They will start reading about the designer when his or her products catch their interest. Moreover, most of the interviewees were asking if they could purchase the products from SANTAKANI because the current link to designers' website is not convenient for the buyer. As mentioned above, the sales function is not possible yet, and would be a very challenging task since it required Chinese language and direct logistic.

## SANTAKANI Final

From the feedback from the designers, SANTAKANI team decided to improve the user interface of SANTAKANI. The new website has more abstract background images. In addition, the designers are given an open space, which they can creatively design the profile and showroom according to their own style. The navigation bar is transformed into simple texts and put in the middle of the web so that it is more noticeable for the users.

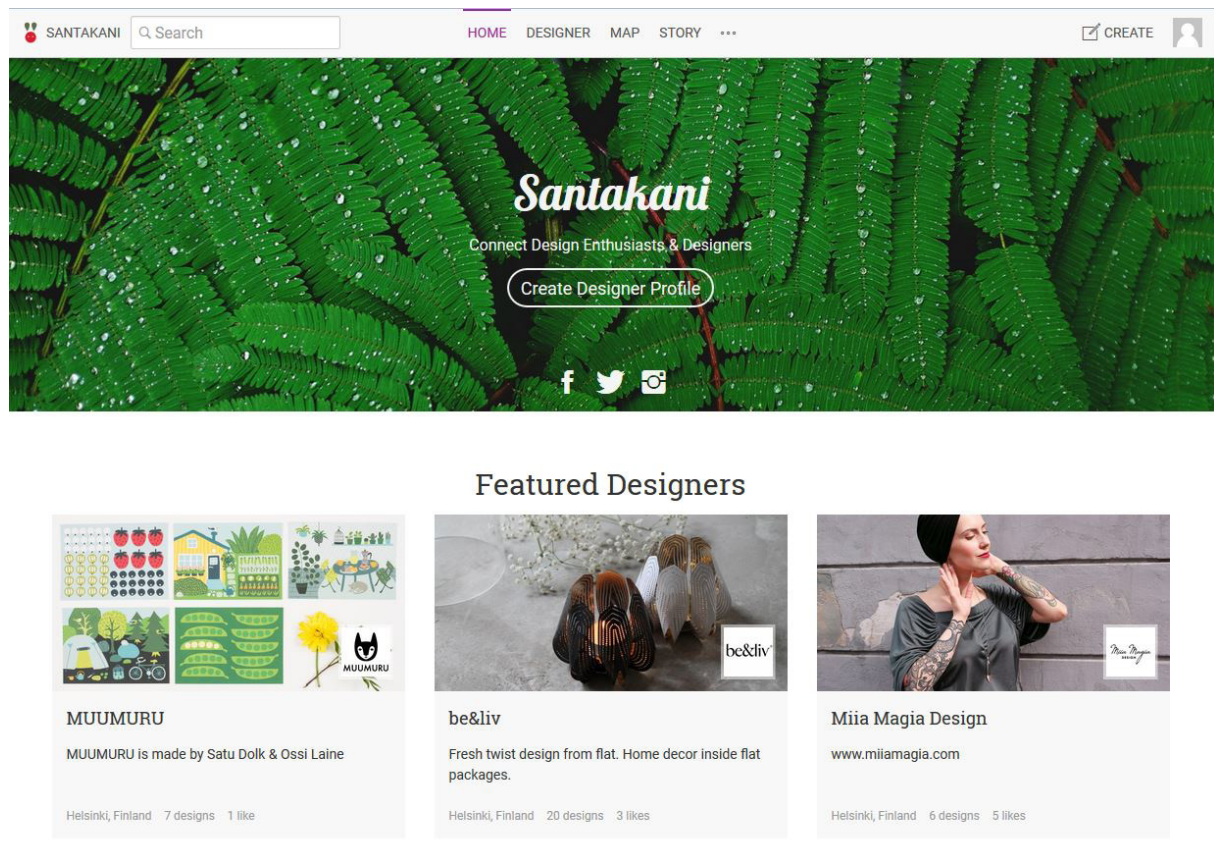


Figure 6-13, Santakani.com (home page)

On the home page, the main content is the design products, with the price at the thumbnail so the customers can have a better vision of the products. It also displays three designers right after the banner, to navigate the users to different designer sections.

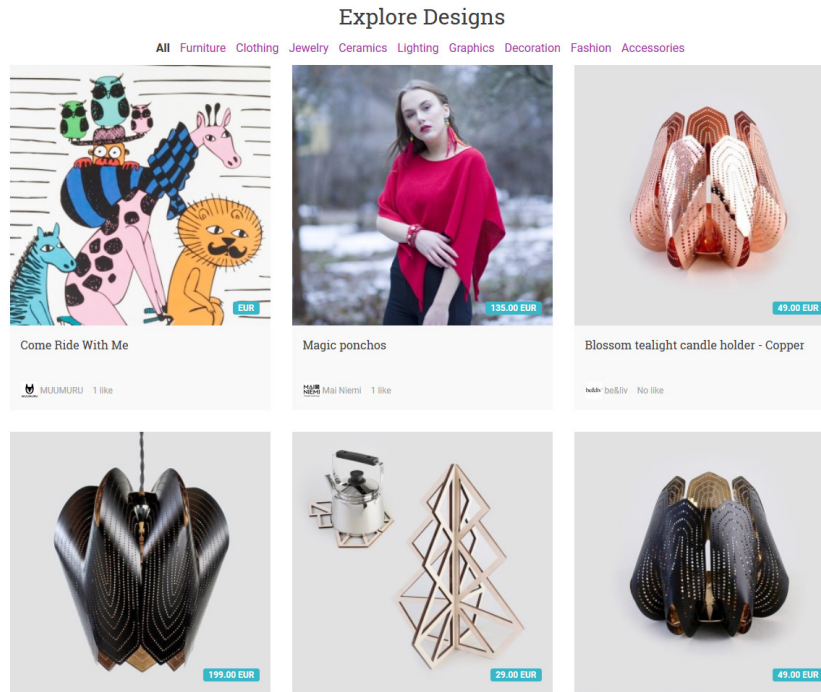
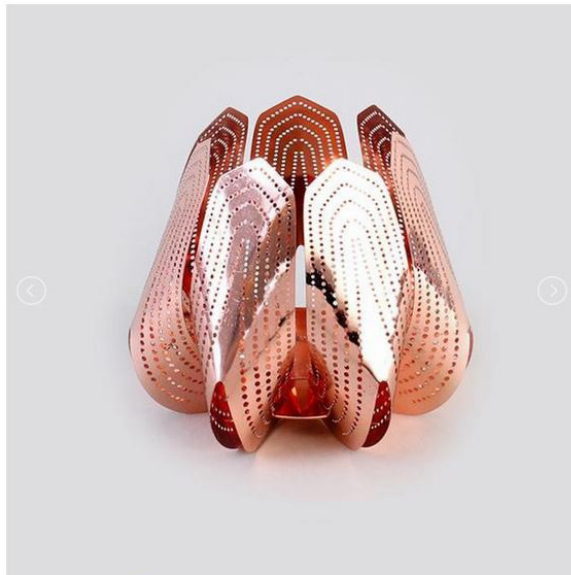


Figure 6-14, Santakani.com (designs)



## Blossom tealight candle holder - Copper

49.00 EUR

be&liv Helsinki No like



Buy



Like



Share



More

#decoration #candleholder #tealight



We wanted to create a truly beautiful metallic tea-light candle holder with solid quality. A decorative candle lantern that create a fascinating light. We also wanted to make it easily mailable - following the same philosophy as with our earlier products.

Feel its solid build in your hand and light it up to see the light sparkling through its perforation.


Exploring the natural bending characteristic of metal led into organic shapes and natural beauty.

— Designer Janne Uusi-Autti

Figure 6-15, Santakani.com (designs - detailed)





Share design skills, ideas and dreams.



**Arela: minimalist sensibility and effortless elegance**


Arela is a Finnish fashion/clothing design brand that creates simple and elegant cashmere knitwear. Arela only uses natural material: cashmere and


 Guo Yanhe 09 March 2017 No like



**Mia Magia Design & Sibelius necklace**


Rather than just stand and stare down at the broken mirrored facets on the dance floor, the sight of the fallen disco ball inspired Mia Magia. She


 Mia Magia Design 15 February 2017 3 likes



**A Brief History of Finnish Design**

From Applied Art Finnish design started as applied art. In Finnish language, it is called taideindustria, meaning "the industry of art". The School Our story starts in 1870s. However, the history of ...

 Guo Yanhe 01 February 2017 2 likes



**LOVE always start from the cradle .**

A good design always start from details, and they

All	12
Furniture	0
Clothing	4
Jewelry	4
Ceramics	0
Lighting	0
Graphics	2
Decoration	1
Fashion	2
Accessories	0
Textile	1


Figure 6-16, Santakani.com (stories)

NTAKANI

iki

mature Clothing Jewelry Ceramics Lighting


is Decoration Fashion Accessories



nk/ie

thing #earring


robertinkatu 17-19 1 like



nake Ekodesign

thing

katu 13 No like



HOME DESIGNER MAP STORY

LOC

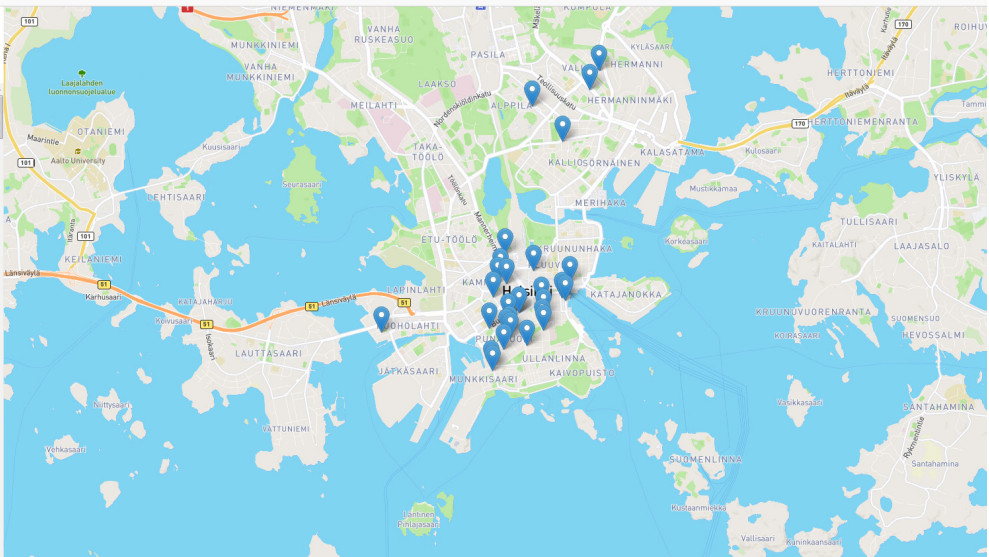


Figure 6-17, Santakani.com (map)

## 6.4. External Services

### Facebook group “Designers in Finland”

As from the previous research, many relevant design communities and organizations provide supports for Finnish designers. However, many students do not have a place to get this information, so that the team decide to create a Facebook page which provide all kinds of information that design students need. SANTAKANI will contribute as a member to join the conversation and take the lead in sharing related information. Other members in the group can also share and discuss about relevant information and events. The information that SANTAKANI want to cover includes:

1. Design community.
2. Design companies, studio, teams. (where they can join others)
3. Design exhibitions, competitions. (where they can improve themselves)
4. Design retailers and producers. (where to sale their design, start their own business)
5. Guidelines of How to start a career as a designer career as designers. (find partners, workspace and equipment, retailers, create website, utilize e-commerce platform)
6. Statistics of Finnish design industry and market.

### Workshops

In the process of developing SANTAKANI, the team noticed that to build a good interaction between designers and design enthusiast, workshop usually is a very good method to frame a deep connection between designers and design consumers. SANTAKANI team also considered organizing different workshops and design related events to support the design community. The workshop aims to bring in more people with non-design background to be involved in the design society. From the chapter 4 we understand that local designers are already organizing

their workshops for jewelries and recycled clothing. In SANTAKANI, the team wishes to invite designers to visit school or different events so the design knowledge can be spread more broadly.

From our interview with designers, including four Jewelry designers and three fashion designers, the team have generally received positive feedbacks. Six out of them would be interested in leading the workshops as well as giving speech regards to their own design experiences, one fashion studio said that rather than hosting a workshop they would be interested in having some face-to-face discussion or communication section with design enthusiasts or other designers.





# VII

## CONCLUSION AND DISCUSSIONS

---

The last Chapter concludes the empirical findings in the previous chapter, and summarizes findings from SANTAKANI as well as gives some suggestions for the further usage of internet in promoting design products.

## | 7.1. Conclusion

Mass-producing is taking over the product design industry, which challenges the survival of independent designers and craftspeople. At the same time, authentic design and local production have become good selling points and increasingly appreciated. The internet plays a crucial role in promoting authentic designs and craft products, providing various opportunities for small-medium sized designers and craftspeople. Social media, online market place and crowdfunding make the promotion, selling and fund-raising much more doable for small scale designers and crafts people. This research reviews current situation of Finnish designers as well as the internet usage of both designers and design consumers through SANTAKANI project.

The internet service is not necessarily useful for all designers and the usefulness is dependent on the case by case basis. Designing a web shop can be costly and time consuming while it is not guaranteed to bring more customers. Although social media is used by most of the designers to connect with the existing customers, word of mouth and physical shop are better at bringing in new customers. Physical shops, design fairs and exhibitions are the major approaches to consume design and handicrafts products. Meanwhile, social media is a great tool for information spreading.

There are two points needed to take into consideration for designers to choose a suitable internet platform for their business. Firstly, most of the designer would like to focus on designing or making. Thus, designers and craftspeople need to see good value for them before investing their time on a new service for promoting purposes. Secondly, designers usually have specific design style. When providing new services for them, it is crucial to make them feel that they can suit in the environment. Providing such flexibility could significantly affect the interface design of the service platform.

If designers are interested in entering China, a mobile app, good Wechat promotion and easy-to-buy approach are necessary. Chinese consumers are more in favor of foreign products

and design. For their oversea shopping, the healthy-related products are on the top of the shopping list, followed by long-lasting products such as electronic and houseware products. Regarding foreign design products, Chinese customers are more interested in furniture and home decoration than personal items such as fashion, jewelries and accessories.

Admittedly, the team did not have enough understanding of the local culture. Even though the project aims to promote Finnish design the members are international students living in Finland for a limited period of time. The cultural difference created difficulties even in a minor task such as naming the platform as SANTAKANI. Thus, the team needed much more research and possibly add another team member who is sophisticated in the local market.

In the beginning, the team wished SANTAKANI would be an information sharing platform. The thesis researcher personally had hoped that if the service was free, designers would be more than happy to register themselves and share their information and stories. However, the process of recruiting designers was much more difficult than the team's initial expectation.

In the beginning, the team's ambition was to create a SANTAKANI that spreads the design sharing concept all over the world. The ambition turned out to be a major mistake as the team did not have the capacity to reach the goal. In addition, it is almost impossible to promote everything everywhere with only one simple website. After the team launched the beta version of SANTAKANI, they joined different startup fairs and consulting sessions to seek improvement feedbacks. One of the common suggestions from the consultants was that the team should narrow their focus on Chinese market, connection between China and Finland in regard to design products. Another useful opinion was that doing business to business was much easier and achievable for the services that SANTAKANI offered. Thus, the team has shifted the gear more toward Business to business .

The author found a design shop named SORT in China, which focuses on selling Nordic design products. The shop is located in Taikoo Li, Chengdu, the largest town/city in Sichuan province and known for its specialization in high-end Nordic design. After 6 months period of email exchanges and negotiations, SORT did not show further interests in Finnish independent designs. From a discussion with a professional buyer from China, we have learned that the buyers or

retailers were usually more willing to import products that is already acclaimed to avoid the cost for advertising and marketing. Competitive price is usually a good reason for buyers taking products from unknown designers; however, the designs from Finnish independent designers generally do not have significant difference in their pricing comparing to more international brands.

### **Chicken or the eggs**

In SANTAKANI project, the team is facing a fundamental challenge that every startup faces, the goal of SANTAKANI is to make designers' life easier by providing them a convenient and time-saving approach to reach their customers and get recognized. However, SANTAKANI platform does not have the capacity to reach enough audience at the very first place. Therefore, designers do not think it would be beneficial for them to invest their time in the platform. As for the consumers, since there is not enough designs and designers displaying yet, it is difficult to build frequent interaction with them, they usually lose their interest after the first-time view.

Designers want to invest their time in a right place. From the interviews, we get to know that most of the designers do not enjoy the pressure from marketing as well as social media. SANTAKANI does not solve the problem for them. Despite SANTAKANI is commented as an easy-to-use platform from active users, designers still need to login in to the page, upload images and write articles all by themselves. At the current stage, SANTAKANI does not have the ability to provide enough views or create direct values for the designers, which makes the whole process an 'extra' work for them.

## | 7.2. Future Development

When we provide services for designers, it is crucial to show that it is a suitable place for them to display their work. Most of designers have their own style, which is very important to differentiate themselves from the others. Thus, the service needs to have a smart categorization, and make sure that the designers and craftspeople can find some relevant style or brands, so that they will be more willing to participate.

When it comes to internationalization, B2B is a better approach compared to B2C, cooperating with local merchants and design firms will be more beneficial for the internationalization. Expanding business to another country for independent designers and craftspeople is still a challenge. Due to tight schedule and stressful work, designers and craftspeople generally wish to have a full package service for selling the products abroad.







# REFERENCES

---

Korvenmaa, Pekka. FINNISH DESIGN – A concise history. University of Art and Design Helsinki, 2009

Eric Ries. Lean startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses. Crown Business, 2011

Shushma H. TOURISM AND HANDICRAFT – EXPLORING THE LINKAGES. Spectrum: A Journal of Multidisciplinary Research Vol.1 Issue 6, September 2012, Central University of Karnataka Gulbarga – 585106, ISSN 2278-0637

Hugh wilkins. Souvenirs: What and Why We Buy. Journal of travel research 50(3)239-247

DR MANJUSMITA DASH. MARKETING OF ORISSA HANDICRAFTS: A STUDY ON CHALLENGES & OPPORTUNITIES. Faculty, Department of Business Administration, Utkal University, Vani vihar, Bhubaneswar – 4, Orissa, India

Mary Ann Littrell, Luella F. Anderson, Pamela J. Brown. What makes a craft souvenir authentic? pergamon Press Ltd. USA., 1993

Adam Rapp, Email author, Lauren Skinner Beitelspacher, Dhruv Grewal, Douglas E. Hughes. Understanding social media effects across seller, retailer, and consumer interactions.

Micheal A. Stelzner. 2016 SOCIAL MEDIA MARKETING INDUSTRY REPORT. May 2016

Ethan R. Mollick, Containing Multitudes: The Many Impacts of Kickstarter Funding. University of Pennsylvania - Wharton School, July 11, 2016

Aaron Chang. Intro to Taobao. February 15, 2013

Dr Julie Brown. Making It Local: what does this mean in the context of contemporary craft?

Innovation through craft: Opportunities for growth. A report for the Crafts Council, July 2016

Finnish design sector in numbers. Finnish Association of Designers Ornamo , 2016

Source: Statistics Service Rudolf, Statistics Finland

Business opportunities in industrial design in China. Export Finland. finpro.fi

MIGUEL SALCIDO. Benefits and Advantages of Social Media for Business That Will Eliminate Your Fear, SOCIAL MEDIA MARKETING

SUSAN LUCKMAN. The Aura of the Analogue in a Digital Age Women's Crafts. Creative Markets and Home-Based Labour After Etsy, 2013

COLIN CAMPBELL, The Craft Consumer: Culture, craft and consumption in a postmodern society, University of York, 2005

Adam Rapp, Lauren Skinner Beitelspacher, Dhruv Grewal, Douglas E. Hughes. Understanding social media effects across seller, retailer, and consumer interactions. Academy of Marketing Science, 2013

Morris Hargreaves McIntyre, Consuming Craft: the contemporary craft market in a changing economy. Crafts Council, 2010

Marketta Luutonen. HANDMADE MARKETING. The Finnish Crafts Organization, FINLAND, P119-P126, 2009

Leena K. Kaukinen(Ed.). PROCEEDINGS OF THE CRAFTICULATION & EDUCATION CONFERENCE. Nordic Forum for Research and Development in Craft and Design, 2009

Marketing Crafts and Visual Arts: The Role of Intellectual Property, WIPO, 2003

A taste for all things Nordic. June 27, 2012, Michael Stothard. Financial Times

Angela Doland. WHY FOREIGN BRANDS HAVE TO FIGURE OUT CHINA ALL OVER AGAIN. The Days of Easy Growth Are Over; Marketers Have to Worker Harder, and Faster. December 07, 2015.

statista.com

inside-ebay.eu

prehelsinki.fi

santakani.com

ornamo.fi

designdistrict.fi





\_\_\_\_\_